



**Tuesday, 7 May 2019
1.30 pm**

**Meeting of
Local Pension Board -
Firefighters Pension
Scheme
Clemonds Hey
Winsford**

Contact Officer:
Donna Linton
Democratic Services

Fire Service Headquarters, Sadler Road, Winsford, Cheshire, CW7 2FQ

Tel: 01606 868804
E-mail: donna.linton@cheshirefire.gov.uk

Cheshire Fire Authority

Notes for Members of the Public

Attendance at Meetings

The Cheshire Fire Authority welcomes and encourages members of the public to be at its meetings and Committees. You are requested to remain quiet whilst the meeting is taking place and to enter and leave the meeting room as quickly and quietly as possible.

All meetings of the Authority are held at Sadler Road Winsford. If you plan to attend please report first to the Reception Desk where you will be asked to sign in and will be given a visitors pass. You should return your pass to the Reception Desk when you leave the building. There are some car parking spaces available on site for visitors at the front of the Sadler Road. Please do not park in spaces reserved for Fire Service personnel.

If you feel there might be particular problems with access to the building or car parking please contact the Reception Desk at Sadler Road Winsford Tel (01606) 868700.

Questions by Electors

An elector in the Fire Service area can ask the Chair of the Authority a question if it is sent to the Monitoring Officer at Fire Service HQ to arrive at least five clear working days before the meeting. The contact officer named on the front of the Agenda will be happy to advise you on this procedure.

Access to Information

Copies of the Agenda will be available at the meeting. A copy can also be obtained from the contact officer named on the front of the Agenda. Alternatively, individual reports are available on the Authority's website (www.cheshirefire.gov.uk)

The Agenda is usually divided into two parts. Members of the public are allowed to stay for the first part. When the Authority is ready to deal with the second part you will be asked to leave the meeting room, because the business to be discussed will be of a confidential nature, for example, dealing with individual people and contracts.

This agenda is available in large print, Braille, audio CD or in community languages upon request by contacting; Telephone: 01606868414 or email: equalities@cheshirefire.gov.uk

Recording of Meetings

Anyone attending the meeting should be aware the Authority audio-records its meetings. There is a protocol on reporting at meetings which provides further information. Copies are available on the Service's website www.cheshirefire.gov.uk or alternatively contact Democratic Services for details

Fire Evacuation

If the Fire Alarm sounds you should make your way to the nearest exit as quickly as possible and leave the building. Please follow any instructions from staff about evacuation routes.



MEETING OF THE LOCAL PENSION BOARD - FIREFIGHTERS PENSION SCHEME

TUESDAY, 7 MAY 2019

Time : 1.30 pm

Leadership Team Conference Room - Fire Service, Clemonds Hey

AGENDA

- 1 Welcome and Introductions**
- 2 Apologies**
- 3 Declaration of Interests** (Pages 1 - 2)
- 4 Notes from the previous meeting** (Pages 3 - 8)
A copy of the notes from the previous meeting held on 22nd November 2018 are attached, for information.
- 5 XPS Administration Cheshire Fire and Service Delivery Report April 2018 - March 2019** (Pages 9 - 34)
Report of the Operations Manager from XPS Administration
- 6 Firefighter Pension Scheme Update** (Pages 35 - 80)
Report of the HR Business Support Manager
- 7 Firefighter Pension Scheme Risk Register** (Pages 81 - 88)
Report of the HR Business Manager
- 8 Cheshire Fire and Rescue Service Internal Pensions Administration Performance Update** (Verbal Report)
Report of the HR Business Support Manager
- 9 Pension Transitional Arrangements Court of Appeal Judgement** (Verbal Report)
Report of the Governance Advisor
- 10 Pension Board - Training Update** (Pages 89 - 90)
To receive an update on Pension Board members training from the Scheme Manager

Date of Next Meeting: Wednesday 2 October 2019

CHESHIRE FIRE AUTHORITY PENSION BOARD-FIREFIGHTERS' PENSION SCHEMES

DECLARATION OF INTERESTS

Section 5(4) of the Public Service Pensions Act 2013 (PSPA 2013) requires that any member of the pension board must not have a conflict of interest i.e. a "financial or other interest which is likely to prejudice the person's exercise of functions as a member of the board" (this does not include a financial or other interest arising merely by virtue of being a member of any of the Firefighters' Pension Schemes).

A conflict of interest exists where there is a divergence between the individual interests of a person and their responsibility towards the Pension Board, such that it may be reasonably questioned whether the actions or decisions of that person are influenced by their own interests. Such a conflict would prejudice an individual's ability to perform their duties and responsibilities towards the Pension Board in an objective way.

The Code of Conduct and Conflict of Interest Policy for Pension Board members provides further guidance, which pension board members are advised to refer to before completing this Declaration.

All Pension Board members must complete and return this Declaration of Interests form to the Democratic Services Manager who will keep a register of declarations, which will be reviewed and monitored by the Scheme Manager.

1. Name (please print):		
2. Are you currently a member of a FFPS?	Yes	No
If yes, please confirm which pension scheme:		
3. Are you in receipt of a FFPS pension?	Yes	No
If yes, please confirm which pension scheme:		

4. (a) If you are currently in paid employment please give details and nature of your employer.	Yes	No
Employment details:		
4. (b) Do you believe that your employment creates a potential conflict of interest with your role on the pension board?	Yes	No
If yes, please explain why:		
5. (a) Is any member of your immediate family employed in the financial services or pensions industry?	Yes	No
If yes, please give details :		
5. (b) Do you believe that their employment creates a potential conflict of interest with your role on the Local Pension Board?		
6. Please detail below any other commitments, connections or responsibilities you may have which could be reasonably perceived to be relevant to your role on the Pension Board.		
<p>Declaration: I declare that the information given on this Declaration of Interests Form is complete and correct to the best of my knowledge.</p> <p>Signed :</p> <p>Name :</p> <p>Date :</p>		

This form should be returned to: Governance and Planning Manager, Cheshire Fire Authority, Clemonds Hey, Oakmere Road, Winsford, Cheshire, CW7 2UA or sent by email to: donna.linton@cheshirefire.gov.uk



MINUTES OF THE MEETING OF THE LOCAL PENSION BOARD - FIREFIGHTERS PENSION SCHEME held on Thursday, 22 November 2018 at Leadership Team Conference Room - Fire Service, Clemonds Hey at 1.30 pm

PRESENT:

Board Members: Councillor G Merry (Chair), A Waller, N McElroy and G Peers (FBU)

Officers: A. Harvey (Director of Transformation), J. Nixon (Governance Advisor), J. Swift (HR Business Support Manager) and D. Linton (Governance and Corporate Planning Manager)

Guests: G. Hall and G. Coates (XPS)

1 APOLOGIES

There were no apologies of absence.

2 DECLARATION OF INTERESTS

The Board Members completed an updated Declaration of Interest form for 2018-19

3 NOTES FROM THE PREVIOUS MEETING

RESOLVED: That

[1] the minutes of the meeting of the Local Pension Board held on 28th November 2017 be confirmed as a correct record.

4 KIER CHESHIRE FIRE SERVICE DELIVERY REPORT APRIL 2018 - MARCH 2019

The Operations Manager, Graeme Hall from XPS presented the Cheshire Fire and Rescue Service Delivery Report for 2018-2019 which contained the following information:-

- Regulations and Guidance from April to September 2018
- One complaint received relating to incorrect benefits quoted prior to retirement
- Common Data
- Performance Charts against service level agreements

Graeme Hall reported that Kier Business Services had entered into an agreement to sell its pension unit to XPS Pension Group which had taken place on 1st November 2018. XPS were one of the largest pensions consultancy companies in the UK, administering pensions for over 800,000 people. The Kier pensions team based in Middlesbrough had all transferred to XPS, meaning that all accrued knowledge of the firefighter pension scheme would be retained and the existing software,

Heywoods Altair, would continue to be used. It was the intention to expand and strengthen the current team moving forward and a bespoke officer would be allocated to work specifically with firefighter pensions. XPS were also concentrating on improving customer satisfaction by introducing satisfaction surveys to gain feedback on the service provided.

It was reported that the Cheshire Fire and Rescue Service and Cheshire Constabulary along with two other organisations now had a combined contract with XPS and Cheshire Fire and Rescue Service were keen to learn from the areas of good practice to improve the service currently provided.

A Board Member sought clarification on how low accuracy would be captured in XPS's performance reports. It was noted that most of the KPIs related to service level agreements regarding timescales, however, there was an absence of qualitative performance reporting in respect of accuracy.

A Board Member also made reference to the one complaint received during the reporting period. Graeme Hall advised that further control measures had been implemented to ensure that type of mistake did not occur again. A Board Member sought clarity on how XPS would report situations such as Annual Benefit Statements being sent to an incorrect address. In response, Graeme Hall advised that this would not be reported at present, however, going forward this would be recorded as a data breach.

It was reported by XPS that this information could be checked using the self-service tool that was currently used by a number of organisations including Cheshire Constabulary and Cleveland Fire and Rescue Service. In response the Director of Transformation advised that she would seek assurances regarding the accuracy of the data used by the self-service tool prior to agreeing to implementation.

Currently the HR Business Support Manager had quarterly meetings with XPS to discuss and resolve any issues raised. It was the intention that Cheshire Fire and Rescue Service would work closely with colleagues in the Multi-Force Shared Service to ensure a seamless transition for the transfer of data and appropriate knowledge transfer prior to implementation on 1st April 2019.

RESOLVED: That:

- [1] the content of the report and comments raised be noted.**
- [2] Graeme Hall to incorporate Performance KPIs into future performance reports that would provide reassurance regarding accuracy and qualitative performance.**

5 FIREFIGHTER PENSION SCHEME UPDATE

The HR Business Support Manager presented a report to provide the Pension Board with an update on current issues relating to the Firefighter's Pension Schemes, which included the following:-

- Pensions Administrator Transfer;

- Firefighter Pension Scheme Bulletins;
- Firefighter Pension Scheme Valuation;
- Contracting-Out Reconciliation Exercise;
- Regulatory Amendments
 - i) Change to SCAPE discount rate; and
 - ii) Police and Firefighter's Pension (Amendment) Regulation 2018;
- The Pension Regulator (TPR) Annual Survey;
- Annual Benefit Statements 2018 (ABS).

The Pension Board was advised that the ABS for 2017-18 had been produced and dispatched by 22nd August 2018 against the deadline of 31st August 2018. It was reported that in 2017, a number of employees and pension board members had not received an ABS. This year, a number of additional checks had been implemented to resolve this issue and a request had been published in the green bulletin asking any members who did not receive an ABS to notify the payroll team. A reconciliation of XPS's data to identify any variances had also been carried out. To date 3 employees had reported that they had not received an ABS. These employees were included in XPS's data, therefore the cause was likely to be due to postal issues and one was due to XPS holding an incorrect address. In comparing the data with that held by XPS, 36 employees had been identified for whom an ABS may not have been produced. Work with XPS was taking place to identify the cause and any necessary resolution. A further update would be provided at the next meeting of the Pension Board.

A Board Member asked if the service information provided in the ABS could be itemised rather combined together in the future to allow members to verify that their information was correct more easily. In response, Graeme Hall, advised that the software used to produce the ABS was limited, but said that if an email request for this change was sent then he could investigate this further.

RESOLVED: That:

- [1] the content of the report and comments raised be noted.**
- [2] an update on Annual Benefits Statements be submitted to the next meeting.**
- [3] The HR Business Support Manager to email Graeme Hall asking if the service information provided in the ABS could be itemised rather combined together in the future to allow members to verify that their information was correct more easily.**

6 LGA FIRE PENSIONS ANNUAL CONFERENCE - 18 SEPTEMBER 2018

The Governance Advisor provided a debrief from the LGA Fire Pensions Annual Conference that she and the Director of Transformation had attended on Tuesday 18th September 2018. The report highlighted the key themes raised at the conference which included:

- Annual Allowance Tax Charges
- Scheme Valuation
- Joint Pension Board across Leicester, Derbyshire and Nottinghamshire Fire

- Services (same Administrator)
- Retirement forecasting
 - Pension Discrimination Claims (Outcome due in Spring 2019)
 - Pension Ombudsman Cases
 - Pensionable Pay
 - Benchmarking Exercises Commissioned by AON

RESOLVED: That

[1] the content of the report be noted.

**7 CHESHIRE FIRE AND RESCUE SERVICE INTERNAL PENSIONS
ADMINISTRATIONS PERFORMANCE UPDATE**

The Director of Transformation and HR Business Support Manager provided an update on the internal pensions administrations performance, with specific reference to the following:

Gap Analysis and Future Work Plan: A work plan was being created to identify gaps between current practice and best practice, as outlined by the Pensions Regulator and the Scheme Advisory Board. This would be submitted to a future meeting of the Pensions Board for consideration.

Risk Register Review: A copy of the Firefighter Pension Scheme Risk Register was circulated, for information. It was the intention to publish this information on the Cheshire Fire and Rescue Service website. A discussion was had on the loss of key staff and what arrangements were in place for succession planning. Reassurance was provided that discussions were underway in respect of the HR Business Support Manager's role for purposes of business continuity. It was also pointed out that there would now be two pension experts that would work with XPS one to focus on Cheshire Fire and Rescue Service and other on Police and knowledge would cross between the two positions.

The Pension Board requested that two additional risks were included on the Risk Register, namely, 'Data Forecast and Calculations' and under 'Administration Failure/Maladministration' an additional risk was included on 'Loss of Key Staff'.

Breaches Update: There were no breaches to report, a review would take place regarding the ABS issue and the outcome would be reported to a future meeting of the Pensions Board.

Data Review: XPS on behalf of Cheshire Fire and Rescue Service had completed an audit of all common data. The implementation guidance was in the process of being updated to reflect the review.

IDRPs: In the last six months two IDRPs had been considered. A case relating to ill-health retirement had been referred to the Pensions Ombudsman.

Training and Development Log: The Governance and Corporate Planning Manager would create an updated training and development log.

RESOLVED: That:

- [1] the update and comments raised be noted.
- [2] two additional risk to be included on the Risk Register, namely, 'Data Forecast and Calculations' and under 'Administration Failure/Maladministration' an additional risk was included on 'Loss of Key Staff'.

8 THE PENSIONS REGULATOR SURVEY 2018 - DRAFT RESPONSE

The HR Business Support Manager advised that The Pensions Regulator had recently circulated their annual survey to all fire and rescue authorities seeking feedback on the operation of Local Pension Boards.

A copy of Cheshire Fire and Rescue Service's draft response which had been completed by the Director of Transformation in conjunction with the HR Business Support Manager was circulated at the meeting, for the Pension Board's comments. The deadline for submission to the Pensions Regulator was 30th November 2018. The responses from the survey were due to be published in May 2019.

The Board considered the draft response. It was reported that the Scheme Provider would provide a response to questions in Section D – Cyber Security.

The Board sought clarity on the answer provided to '**Question A4 – Do the scheme and pension board have sufficient time and resources to run the scheme properly? Answer: No**'. In response, the Director of Transformation advised that the scheme was currently run properly however with more resources this could be improved. The Board requested that this was recorded on the Risk Register and the reason for the answer was explained further in the reply to Question K7 – Other comments/clarify or explain any of the answers which have been provided.

RESOLVED: That

- [1] the Cheshire Fire and Rescue Service draft response be approved for submission to The Pensions Regulator by the 30th November 2018 with the inclusion of the Scheme Provider's response to Section D.
- [2] the issues covered in the answer to Question A4, as detailed above, be included on the Risk Register.

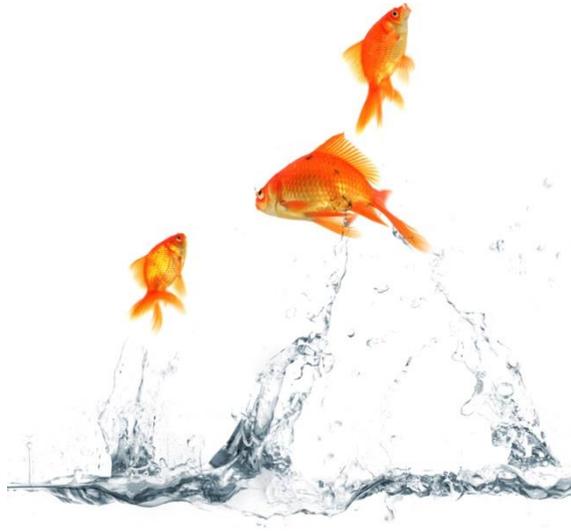
9 PENSIONS PRIVACY NOTICE

The Governance Advisor presented the Pensions Privacy Notice.

The notice was produced for members and beneficiaries of the Firefighters Pension Schemes 1992, 2006 and 2015, to inform them of how their personal data was being used. The notice was available on both the Cheshire Fire and Rescue Service internet and intranet.

RESOLVED: That

[1] the Pensions Privacy Notice be noted.



**Cheshire Fire
Service Delivery Report**

April 2018 - March 2019

April 2018 – March 2019

Regulations and Guidance

April 2018

- Attendance at Fire Pensions Technical Meeting – London 10 April 2018

Consequences: For information only. The meeting considered, amongst other things, a number of regulations requiring clarification. Updates were given from the Scheme Advisory Board and the Home Office. The Home Office confirmed that regulations would be issued that would address a few issues apparent in the current regulations. Draft regulations (see below) were issued before the end of the month.

- FPS Bulletin 7

Consequences: for information only. Claire Hey, Assistant Firefighters' Pension Adviser, issued LGA's seventh bulletin to the pensions community. The amendment regulations, 2017/18s scheme return and clarity on the calculation of adult dependant's pension in FPS 2006 featured (amongst other things).

- Draft regulations: The Police and Firefighters' Pension Schemes (Amendment) Regulations 2018

Consequences: for information only at this stage. These draft regulations were issued by Clair Alcock on 16 April 2018. They look to amend certain provisions in both police and fire schemes. Kier have worked through the implications with a view to advising clients of the pertinent changes (once the regulations come into force). From a fire perspective, the regulations address pensions increase on split pensions, trivial commutation of pension credit benefits and the treatment of FPS 1992 benefits following cross-border transfers.

May 2018

- Attendance at Fire Pensions Officers Group Meeting – Bradford, 15 May 2018

Consequences: For information only. The meeting was attended by Malcolm Eastwood, Chair of the Firefighters' Pensions (England) Scheme Advisory Board. The meeting consisted of updates from the recent Technical and Communications meetings.

- Employer Self Service area of myownpension

Consequences: For information only. Work commenced towards the end of the month on this area of myownpension. Work should be completed by mid-June.

- FPS Bulletin 8

Consequences: for information only. Claire Hey, Assistant Firefighters' Pension Adviser, issued LGA's eighth bulletin to the pensions community. Valuation data, resettlement lump sum payments for FPS 2006 special members and the aftermath of the tax awareness seminars were this edition's highlights.

June 2018

- Attendance at Communications Working Group meeting – Manchester 27 June 2018

Consequences: for information only. This meeting concentrated on a new suite of forms / booklets that will be made available to FRAs (on one of the LGA national websites): these will cover a range of topics. Other work is in the pipeline including the ill-health process (including the certificates, as the wrong certificate is often used by the IQMP).

- FPS Bulletin 9

Consequences: for information only. Claire Hey, Assistant Firefighters' Pension Adviser, issued LGA's ninth bulletin to the pensions community. The national-produced ABS template, a reminder on the treatment of CPD and the IDRPs remaining as a two-stage process were this edition's highlights.

July 2018

- Employer Self Service area of myownpension

Consequences: For information only. Work was completed on this area of myownpension. Clients notified and requested to feedback any comments.

- Attendance at Technical meeting – Manchester 2 July 2018

Consequences: for information only. This meeting concentrated on the forms / booklets discussed at the recent Communications Group meeting, the recent draft regulations and an update from the Home Office.

- FPS Bulletin 10

Consequences: for information only. Claire Hey, Assistant Firefighters' Pension Adviser, issued LGA's tenth bulletin to the pensions community. Claiming tax relief (for retained modified members), latest website updates, such as consolidated regulations and the latest member guides, and the latest on pension scams were this edition's highlights.

- Deferred Benefit Statements

Consequences: For information only. Benefit statements for deferred members were issued early in the month. The statements provided the current value of their benefits, inclusive of 2018s 3% increase, along with certain key information. Members were signposted to the myownpension website to also read the 'Deferred Benefits' page of the particular scheme they were a member of.

August 2018

- Fire Pensions Annual Conference

Consequences: For information only. On 7 August Claire Hey, Assistant Firefighters' Pension Adviser, emailed the pensions community with details of this year's annual conference (17/18 October) including booking details. Representatives from Kier will be attending.

- Modified retained tax relief

Consequences: the claiming of tax relief has been on the agendas of various national and regional meetings for years. On 20 August Claire Hey emailed an FAQ document to the community to assist fire & rescue authorities with tax relief claims.

- Annual Benefit Statements (ABS)

Consequences: For information only. Benefit statements for active firefighters were issued 22 August, well before the regulatory deadline. Members were signposted to the myownpension website to also read the 'ABS' page containing supporting notes for each of the schemes.

- FPS Bulletin 11

Consequences: for information only. Claire Hey issued LGA's 11th bulletin to the pensions community. An update on the 2016 valuation, the Regulator's data requirements and details of an ABS survey were this edition's highlights.

September 2018

- 2016 Valuation – draft direction

Consequences: For information only. HMT's draft direction was issued by Claire Hey on 10 September. This highlighted that the cost cap mechanism had been breached (by being lower rather than higher than expected). Whilst no further detail was available, it was alluded to that employers' contributions could rise along with FPS 2015 benefits.

- Amendment regulations

Consequences: the regulations (Police and Firefighters' Pensions (Amendment) Regulations 2018 (SI 2018/997)) were laid on 13 September, coming into force 8 October. The regulations were circulated by LGA along with a briefing note explaining their impact. The majority of the regulations related to police pensions; the fire amendments clarified a number of points that were already in situ as best practice (such as the application of pensions increase on the first part of a split pension and the removal of nomination forms having to be compulsory in the 2006 scheme in order for an unmarried partner to receive a pension).

- Fire Pensions Annual Conference

Consequences: For information only. Day 1 (17 September) started with the national Technical meeting. Fire Authorities were invited to attend. Main points stemming from the meeting include confirmation that the Treasury will write-off overpayments identified from the GMP reconciliation exercise / separate benchmarking surveys are being devised by Aon for FRAs, administrators and members; these were due to land by mid-October, but it has since been confirmed that they will be available by the end of the year. Day 1 concluded with a couple of sessions, including joint pension boards. Day 2 consisted of a range of sessions and workshops. The slides of which are now available. See the SAB website for an overview and access to the slides (<http://www.fpsboard.org/index.php/events>).

- Attendance at Fire Pensions Officers Group Meeting – Bradford, 27 September 2018

Consequences: For information only. The meeting was attended by Claire Hey. The meeting consisted of updates from the recent Technical and Communications meetings. More updates and guides are due soon, including a factsheet on retirements from the 2015 scheme where the individual transitioned from an earlier scheme. An overview of the Conference was given, including an overview of the ill-health appeals workshop. Emphasis was also given to the effectiveness (or otherwise!) of local pension boards...other than one FRA, the general consensus was that the proposed (and possibly soon-to-be-legislated) increase to 4 meetings per year is unrealistic and unwanted due to other constraints / lack of interest.

- FPS Bulletin 12

Consequences: for information only. Claire Hey issued LGA's 12th bulletin to the pensions community. A further update on HMT's Directions stemming from the 2016 valuation is included: i.e. the breach of the cost cap floor 2016 valuation. Details of the next steps and possible outcomes is included. For clarity, any steps taken will only affect the 2015.

October 2018

- 2018 Pay and CPD rates

Consequences: For information only. LGA issued 'Pay & CPD Uplift Circular' NJC 4/18 and NJC 5/18 for payroll departments on 2 October 2018.

- Pension Saving Statements

Consequences: For information only. Kier (as we were then!) issued pension saving statements before the statutory deadline (6 October).

- GMP Reconciliation and treatment of overpayments

Consequences: For information only. Clair Alcock, Firefighters' Pension Adviser, emailed the community on 19 October about the treatment of any overpayments identified during the reconciliation exercise (as well as the corrective action for underpayments). Reference had been made to writing-off overpayments at the Annual Pensions Conference, but the email went into further detail.

- Updated commutation factors following SCAPE review

Consequences: For information only. On 31 October Claire Hey emailed the fire community a link to the revised commutation factors and guidance (housed on the FPS Regs website).

- FPS Bulletin 13

Consequences: for information only. Claire Hey issued the 13th bulletin to the pensions community. An update on the consultation timescale stemming from the 2016 valuation, expected changes to certain factors due to the SCAPE changes (including the need to place transfers on hold) and the latest on a variety of surveys feature in this edition.

November 2018

- FPS Bulletin 14

Consequences: for information only. Claire Hey issued LGA's 14th bulletin to the pensions community. A further update on the consultation timescale stemming from the 2016 valuation, benchmarking exercise and an update on pensionable pay update (following a recent Pensions Ombudsman's decision) feature in this edition. Following the revision of the scheme factors in October 2018 GAD has provided replacement factors with immediate effect from 6th December 2018 for Early & Late retirement

December 2018

- FPS Bulletin 15

Consequences: for information only. LGA's 15th bulletin was issued by Claire Hey. A summary of the year that has passed and a look at the challenges ahead in 2019. The bulletin included updates on FPS 2016 valuation and the Court of Appeal transitional protections judgement.

A link to the consultation document on Amendments to Firefighter Pension Schemes 1992 and The Firefighters' Compensation Scheme 2006, this consultation document seeks views by 29th January 2019.

Following the revision of the scheme factors in October 2018 GAD has provided replacement factors with immediate effect from 6th December 2018 for Early & Late retirement, CETV and Pensioner Cash Equivalent (for divorce purposes).

Update on the FPS benchmarking exercise as the deadline is 14th January 2019.

Other news and various updates including pension's dashboard, SAB request for information.

January 2019

- LGA email – Updated tax charge debit factors / transfer in factors

Consequences: for information only. The revised transfer-in factors are used to calculate transfers into FPS. Pension administration system has been updated with the revised factors therefore business as usual.

Changes to tax charge debit factors have been uploaded into the pension administration system and are being applied to all new and existing pension debits

- FPS Bulletin 16

Consequences: for information only. The 1st Bulletin of 2019 issued by Claire Hey. The bulletin provided a calendar of events for the year ahead.

Further information surrounding the court of appeal judgement. Following the announcement on 30th January 2019 the cost cap rectification process for the Firefighter Pension Scheme will be suspended.

HM treasury advised that the employer rate that Fire and Rescue Authorities pay towards firefighter pensions should be increased as of 1 April 2019, rates to be confirmed shortly. There will be no change to firefighter pension scheme member's contribution or the accrual rate at this stage.

Updated factors for added pension and CPD, Tax charge debits and Non-club transfers in were included in the bulletin.

February 2019

- XPS issued a bulletin on the cost cap rectification
- XPS issued a bulletin on the shared order between the Firefighter and Police Pension Schemes and the changes to survivor benefits following the Brewster Judgement.
- FPS Bulletin 17

Consequences: for information only. The bulletin included revised factors for trivial commutation, an update from FPS benchmarking exercise and details of the technical queries that were discussed at the Firefighter Pensions Technical Community on 12th February 2019.

March 2019

- XPS issued a bulletin on the new employer rates from 1st April 2019

FPS Bulletin 18

Consequences: for information only. This bulletin covered the 2019 amendment order, revised factors for Divorce CETV calculations and the new employer contribution rates from April 2019.

Additional Work

Complaints

Surname	Forename	Type of complaint	Date received	Reply by	Date completed
		Incorrect benefits quoted prior to retirement	11/07/2018	25/07/2018	20/07/2018
		Overquoted pension benefits due to temporary promotion. Much lower benefit brought into payment	17/01/2019	25/01/2019	25/01/2019
		Overquoted pension benefits due to incorrect pensionable pay. Lower benefit brought into payment	25/02/2019	11/03/2019	14/03/2019

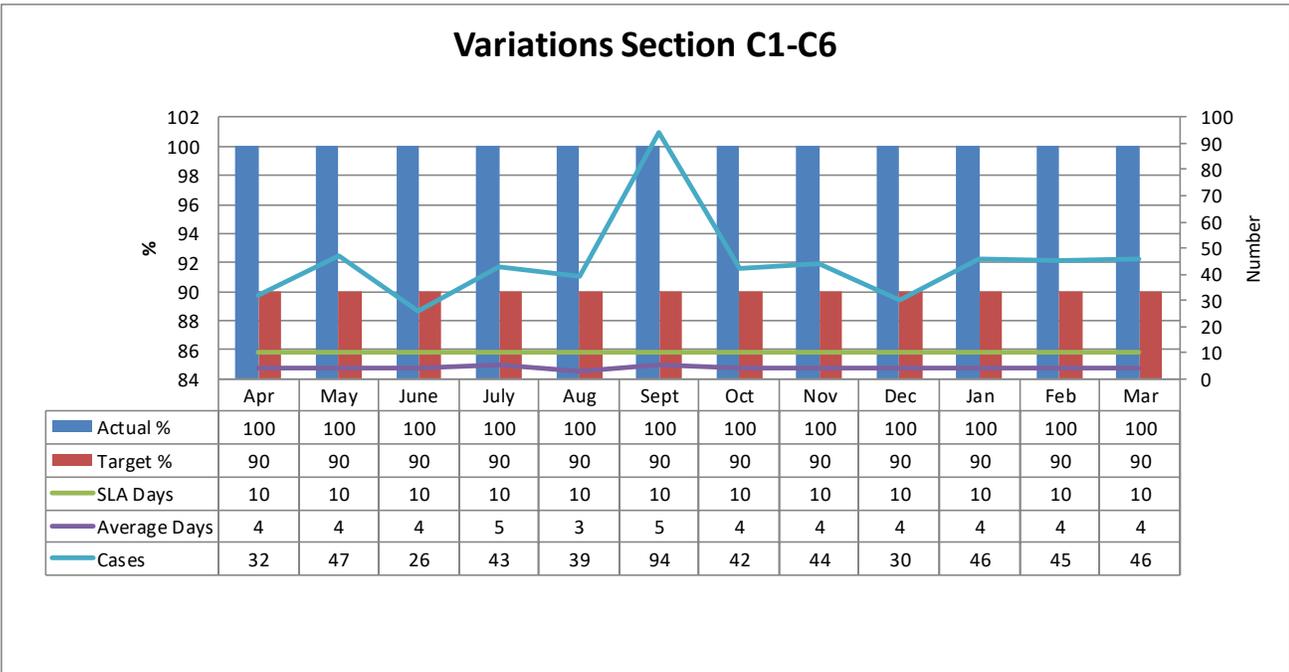
Common Data

Data Item	Cheshire Fire		
	Max Population	Total Fails	% OK
NINo	2214	5	99.77%
Surname	2214	0	100.00%
Forename / Inits	2214	0	100.00%
Sex	2214	0	100.00%
Title	2214	1	99.95%
DoB Present	2214	0	100.00%
Dob Consistent	2214	0	100.00%
DJS	2214	0	100.00%
Status	2214	0	100.00%
Last Status Event	2214	3	99.86%
Status Date	2214	11	99.50%
No Address	2214	9	99.59%
No Postcode	2214	11	99.50%
Address (All)	2214	45	97.97%
Postcode (All)	2214	46	97.92%
Common Data Score	2214	66	97.02%
Members with Multiple Fails	2214	44	98.01%

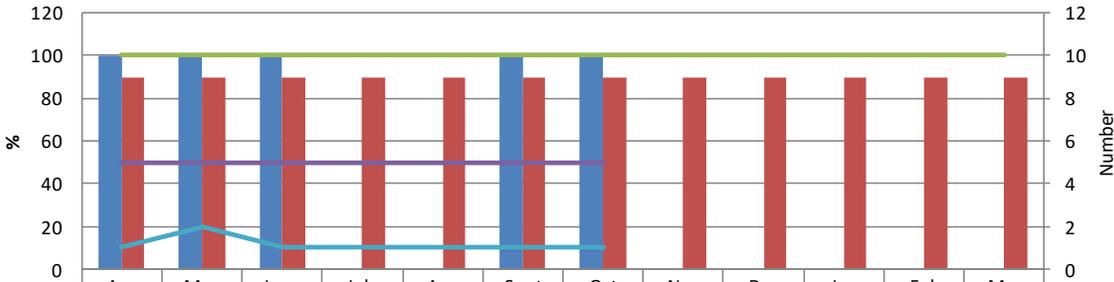
Data Item	1987 Scheme			2006 Scheme		
	Max Population	Total Fails	% OK	Max Population	Total Fails	% OK
NINo	1250	5	99.60%	964	0	100.00%
Surname	1250	0	100.00%	964	0	100.00%
Forename / Inits	1250	0	100.00%	964	0	100.00%
Sex	1250	0	100.00%	964	0	100.00%
Title	1250	1	99.92%	964	0	100.00%
DoB Present	1250	0	100.00%	964	0	100.00%
Dob Consistent	1250	0	100.00%	964	0	100.00%
DJS	1250	0	100.00%	964	0	100.00%
Status	1250	0	100.00%	964	0	100.00%
Last Status Event	1250	0	100.00%	964	3	99.69%
Status Date	1250	10	99.20%	964	1	99.90%
No Address	1250	0	100.00%	964	9	99.07%
No Postcode	1250	2	99.84%	964	9	99.07%
Address (All)	1250	11	99.12%	964	34	96.47%
Postcode (All)	1250	12	99.04%	964	34	96.47%
Members with a Fail	1250	29	97.68%	964	37	96.16%
Members with Multiple Fails	1250	10	99.20%	964	34	96.47%

Performance Charts

The following charts show performance against individual service level requirements.

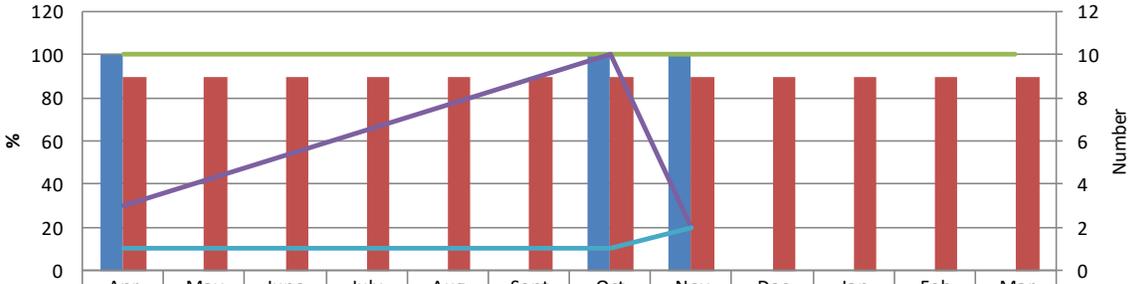


Transfers In - Calculation



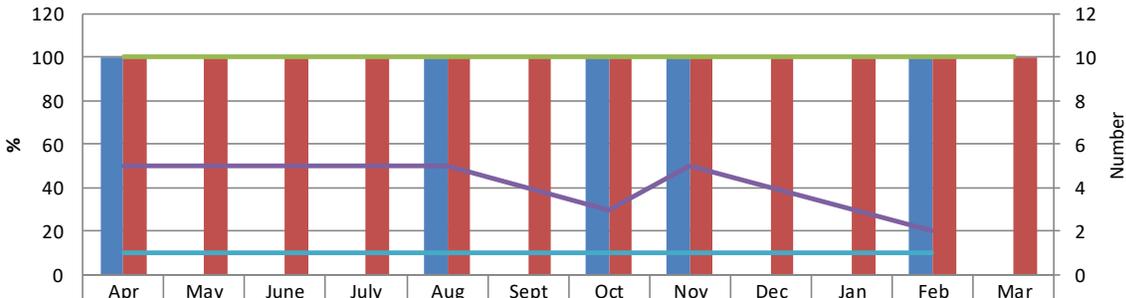
	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Actual %	100	100	100			100	100					
Target %	90	90	90	90	90	90	90	90	90	90	90	90
SLA Days	10	10	10	10	10	10	10	10	10	10	10	10
Average Days	5	5	5			5	5					
Cases	1	2	1			1	1					

Transfers In - Payment



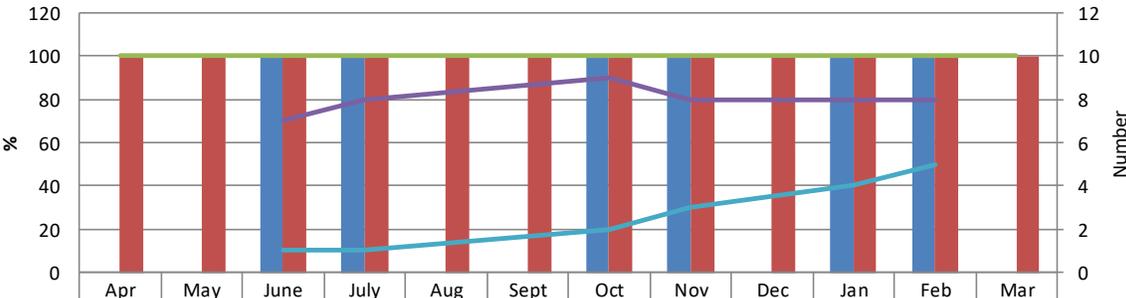
	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Actual %	100						100	100				
Target %	90	90	90	90	90	90	90	90	90	90	90	90
SLA Days	10	10	10	10	10	10	10	10	10	10	10	10
Average Days	3						10	2				
Cases	1						1	2				

Transfers Out - Calculation (Section D4)



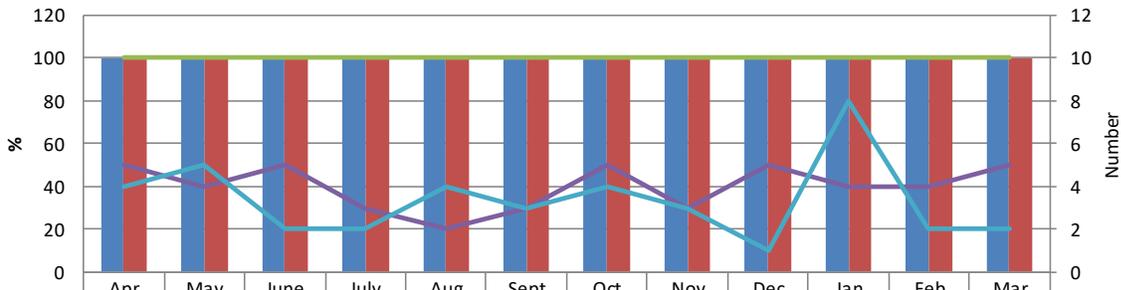
Actual %	100				100		100	100			100	
Target %	100	100	100	100	100	100	100	100	100	100	100	100
SLA Days	10	10	10	10	10	10	10	10	10	10	10	10
Average Days	5				5		3	5			2	
Cases	1				1		1	1			1	

Transfers Out - Payment (Section E5)



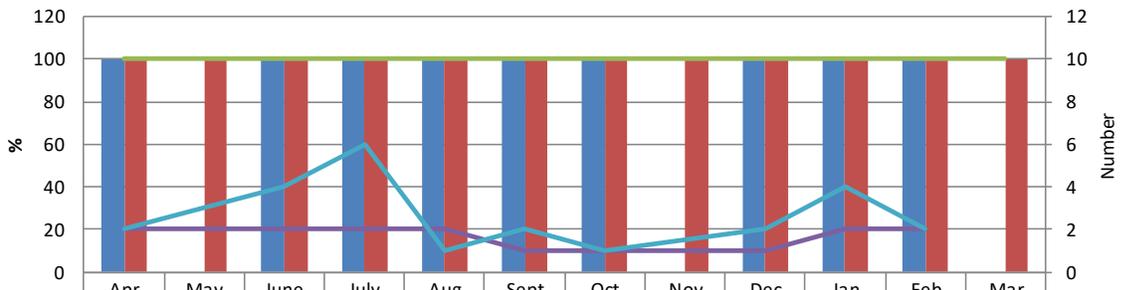
Actual %			100	100			100	100		100	100	
Target %	100	100	100	100	100	100	100	100	100	100	100	100
SLA Days	10	10	10	10	10	10	10	10	10	10	10	10
Average Days			7	8			9	8		8	8	
Cases			1	1			2	3		4	5	

Retirement Options (Section D5-D9)



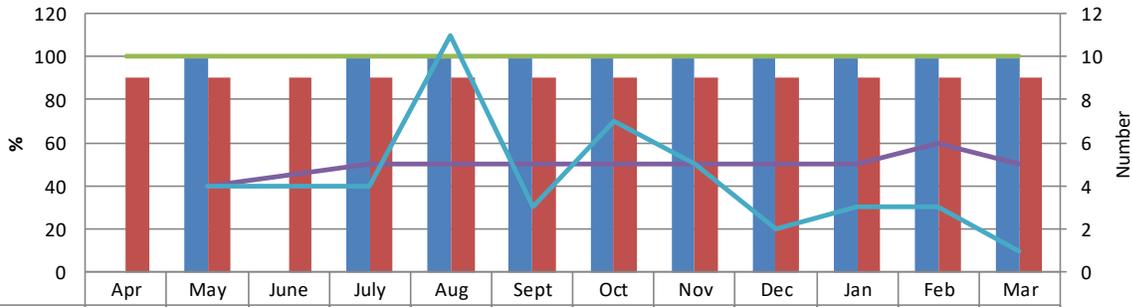
Actual %	100	100	100	100	100	100	100	100	100	100	100	100
Target %	100	100	100	100	100	100	100	100	100	100	100	100
SLA Days	10	10	10	10	10	10	10	10	10	10	10	10
Average Days	5	4	5	3	2	3	5	3	5	4	4	5
Cases	4	5	2	2	4	3	4	3	1	8	2	2

Retirement Actual (Section E6-E10)



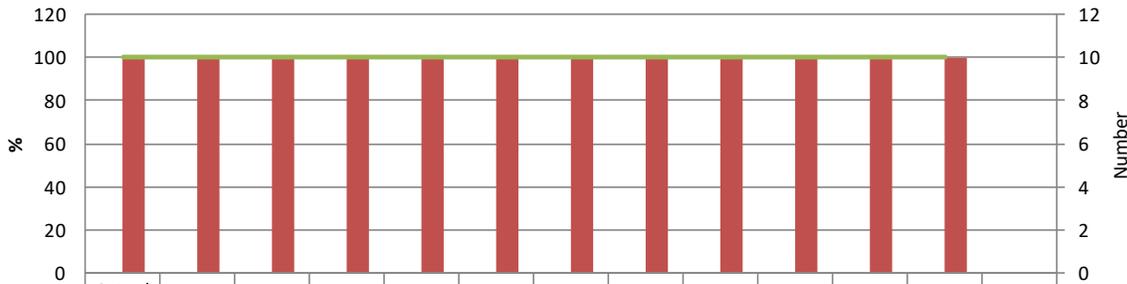
Actual %	100		100	100	100	100	100		100	100	100	
Target %	100	100	100	100	100	100	100	100	100	100	100	100
SLA Days	10	10	10	10	10	10	10	10	10	10	10	10
Average Days	2		2	2	2	1	1		1	2	2	
Cases	2		4	6	1	2	1		2	4	2	

Deferred Benefits (Section E4)



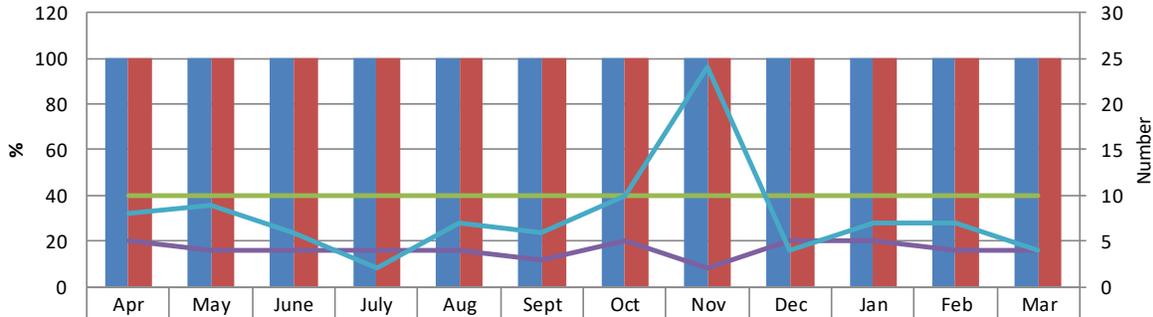
	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Actual %		100		100	100	100	100	100	100	100	100	100
Target %	90	90	90	90	90	90	90	90	90	90	90	90
SLA Days	10	10	10	10	10	10	10	10	10	10	10	10
Average Days		4		5	5	5	5	5	5	5	6	5
Cases		4		4	11	3	7	5	2	3	3	1

Refund Cases (Section E3)



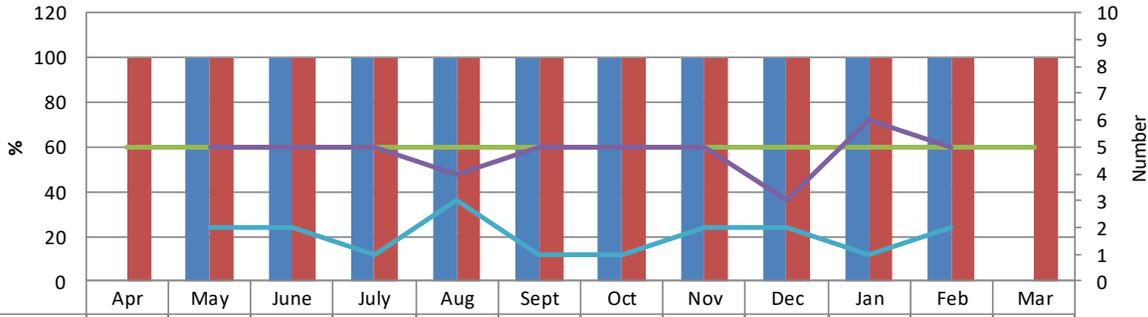
	Actual %	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Actual %	0												
Target %	100	100	100	100	100	100	100	100	100	100	100	100	
SLA	10	10	10	10	10	10	10	10	10	10	10	10	
Average Days													
Cases													

Estimates (Section D5-D9)



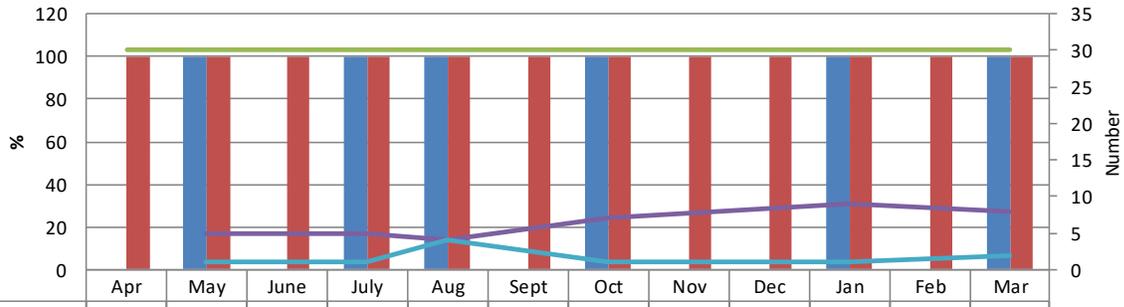
	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Actual %	100	100	100	100	100	100	100	100	100	100	100	100
Target %	100	100	100	100	100	100	100	100	100	100	100	100
SLA Days	10	10	10	10	10	10	10	10	10	10	10	10
Average Days	5	4	4	4	4	3	5	2	5	5	4	4
Cases	8	9	6	2	7	6	10	24	4	7	7	4

Death on Pension (Section F2-F4)



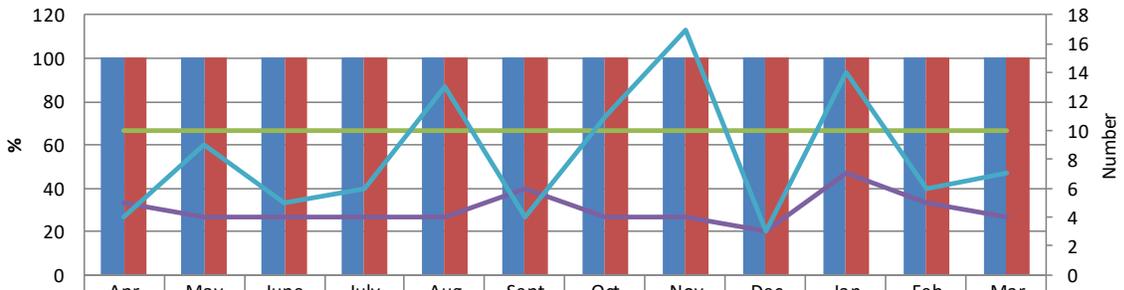
	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Actual %		100	100	100	100	100	100	100	100	100	100	
Target %	100	100	100	100	100	100	100	100	100	100	100	100
SLA Days	5	5	5	5	5	5	5	5	5	5	5	5
Average Days		5	5	5	4	5	5	5	3	6	5	
Cases		2	2	1	3	1	1	2	2	1	2	

Divorce Cases (Section D10 & E11)



	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Actual %		100		100	100		100			100		100
Target %	100	100	100	100	100	100	100	100	100	100	100	100
SLA Days	30	30	30	30	30	30	30	30	30	30	30	30
Average Days		5		5	4		7			9		8
Cases		1		1	4		1			1		2

General Enquiries (Not specific to any areas above)



	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Actual %	100	100	100	100	100	100	100	100	100	100	100	100
Target %	100	100	100	100	100	100	100	100	100	100	100	100
SLA Days	10	10	10	10	10	10	10	10	10	10	10	10
Average Days	5	4	4	4	4	6	4	4	3	7	5	4
Cases	4	9	5	6	13	4	11	17	3	14	6	7

April 2018

Service	KPI	Days	Minimum Target	Average Case Time (days)	FPS	NFPS	FPS	NFPS	TOTAL (cases)	Within Target	Actual Performance	Comments
Death in Service	F2-F4	5	100	#N/A	0	0	0	0	0	0	0.00	
Death of a pensioner	F2-F4	5	100	#N/A	0	0	0	0	0	0	0.00	
Deferred Benefits	E4	10	90	#N/A	0	0	0	0	0	0	0.00	
Divorce Cases	D10+E11	30	100	#N/A	0	0	0	0	0	0	0.00	
Estimates	D5-D9	10	100	5	8	0	0	0	8	8	100.00	
General	Enquiries	10	100	5	2	2	0	0	4	4	100.00	
Processing new entrants	A4	10	90	3	0	7	0	0	7	7	100.00	
Refunds	E3	10	100	#N/A	0	0	0	0	0	0	0.00	
Retirement Actual	E6-E10	10	100	2	2	0	0	0	2	2	100.00	
Retirement Options	D5-D9	10	100	5	4	0	0	0	4	4	100.00	
Transfers – in (Calculation)	0	10	90	5	0	1	0	0	1	1	100.00	
Transfers – in (Payment received)	0	10	90	3	0	1	0	0	1	1	100.00	
Transfers – Out (Calculation)	D4	10	100	5	1	0	0	0	1	1	100.00	
Transfers – Out (Payment)	E5	10	100	#N/A	0	0	0	0	0	0	0.00	
Variations	C1-C6	10	90	4	17	15	0	0	32	32	100.00	

Page 27

May 2018

Service	KPI	Days	Minimum Target	Average Case Time (days)	FPS	NFPS	FPS	NFPS	TOTAL (cases)	Within Target	Actual Performance	Comments
Death in Service	F2-F4	5	100	#N/A	0	0	0	0	0	0	0.00	
Death of a pensioner	F2-F4	5	100	5	2	0	0	0	2	2	100.00	
Deferred Benefits	E4	10	90	4	0	4	0	0	4	4	100.00	
Divorce Cases	D10+E11	30	100	5	1	0	0	0	1	1	100.00	
Estimates	D5-D9	10	100	4	1	8	0	0	9	9	100.00	
General	Enquiries	10	100	4	4	5	0	0	9	9	100.00	
Processing new entrants	A4	10	90	4	0	11	0	0	11	11	100.00	
Refunds	E3	10	100	#N/A	0	0	0	0	0	0	0.00	
Retirement Actual	E6-E10	10	100	#N/A	0	0	0	0	0	0	0.00	
Retirement Options	D5-D9	10	100	4	5	0	0	0	5	5	100.00	
Transfers – in (Calculation)	0	10	90	5	0	2	0	0	2	2	100.00	
Transfers – in (Payment received)	0	10	90	#N/A	0	0	0	0	0	0	0.00	
Transfers – Out (Calculation)	D4	10	100	#N/A	0	0	0	0	0	0	0.00	
Transfers – Out (Payment)	E5	10	100	#N/A	0	0	0	0	0	0	0.00	
Variations	C1-C6	10	90	4	15	32	0	0	47	47	100.00	

June 2018

Service	KPI	Days	Minimum Target	Average Case Time (days)	FPS	NFPS	FPS	NFPS	TOTAL (cases)	Within Target	Actual Performance	Comments
Death in Service	F2-F4	5	100	#N/A	0	0	0	0	0	0	0.00	
Death of a pensioner	F2-F4	5	100	5	2	0	0	0	2	2	100.00	
Deferred Benefits	E4	10	90	#N/A	0	0	0	0	0	0	0.00	
Divorce Cases	D10+E11	30	100	#N/A	0	0	0	0	0	0	0.00	
Estimates	D5-D9	10	100	4	1	5	0	0	6	6	100.00	
General	Enquiries	10	100	4	5	0	0	0	5	5	100.00	
Processing new entrants	A4	10	90	3	1	3	0	2	4	2	42.86	
Refunds	E3	10	100	#N/A	0	0	0	0	0	0	0.00	
Retirement Actual	E6-E10	10	100	2	4	0	0	0	4	4	100.00	
Retirement Options	D5-D9	10	100	5	2	0	0	0	2	2	100.00	
Transfers – in (Calculation)	0	10	90	5	0	1	0	0	1	1	100.00	
Transfers – in (Payment received)	0	10	90	#N/A	0	0	0	0	0	0	0.00	
Transfers – Out (Calculation)	D4	10	100	#N/A	0	0	0	0	0	0	0.00	
Transfers – Out (Payment)	E5	10	100	7	1	0	0	0	1	1	100.00	
Variations	C1-C6	10	90	4	11	15	0	0	26	26	100.00	

July 2018

Service	KPI	Days	Minimum Target	Average Case Time (days)	FPS	NFPS	FPS	NFPS	TOTAL (cases)	Within Target	Actual Performance	Comments
Death in Service	F2-F4	5	100	#N/A	0	0	0	0	0	0	0.00	
Death of a pensioner	F2-F4	5	100	5	1	0	0	0	1	1	100.00	
Deferred Benefits	E4	10	90	5	0	4	0	0	4	4	100.00	
Divorce Cases	D10+E11	30	100	5	1	0	0	0	1	1	100.00	
Estimates	D5-D9	10	100	4	2	0	0	0	2	2	100.00	
General	Enquiries	10	100	4	4	2	0	0	6	6	100.00	
Processing new entrants	A4	10	90	#N/A	0	0	0	0	0	0	0.00	
Refunds	E3	10	100	#N/A	0	0	0	0	0	0	0.00	
Retirement Actual	E6-E10	10	100	2	6	0	0	0	6	6	100.00	
Retirement Options	D5-D9	10	100	3	1	1	0	0	2	2	100.00	
Transfers – in (Calculation)	0	10	90	#N/A	0	0	0	0	0	0	0.00	
Transfers – in (Payment received)	0	10	90	#N/A	0	0	0	0	0	0	0.00	
Transfers – Out (Calculation)	D4	10	100	#N/A	0	0	0	0	0	0	0.00	
Transfers – Out (Payment)	E5	10	100	8	1	0	0	0	1	1	100.00	
Variations	C1-C6	10	90	5	19	24	0	0	43	43	100.00	

August 2018

Service	KPI	Days	Minimum Target	Average Case Time (days)	FPS	NFPS	FPS	NFPS	TOTAL (cases)	Within Target	Actual Performance	Comments
Death in Service	F2-F4	5	100	#N/A	0	0	0	0	0	0	0.00	
Death of a pensioner	F2-F4	5	100	4	3	0	0	0	3	3	100.00	
Deferred Benefits	E4	10	90	5	1	10	0	0	11	11	100.00	
Divorce Cases	D10+E11	30	100	4	2	2	0	0	4	4	100.00	
Estimates	D5-D9	10	100	4	6	1	0	0	7	7	100.00	
General	Enquiries	10	100	4	8	5	0	0	13	13	100.00	
Processing new entrants	A4	10	90	5	0	1	0	0	1	1	100.00	
Refunds	E3	10	100	#N/A	0	0	0	0	0	0	0.00	
Retirement Actual	E6-E10	10	100	2	1	0	0	0	1	1	100.00	
Retirement Options	D5-D9	10	100	2	2	2	0	0	4	4	100.00	
Transfers – in (Calculation)	0	10	90	#N/A	0	0	0	0	0	0	0.00	
Transfers – in (Payment received)	0	10	90	#N/A	0	0	0	0	0	0	0.00	
Transfers – Out (Calculation)	D4	10	100	5	1	0	0	0	1	1	100.00	
Transfers – Out (Payment)	E5	10	100	#N/A	0	0	0	0	0	0	0.00	
Variations	C1-C6	10	90	3	23	16	0	0	39	39	100.00	

September 2018

Page 29

Service	KPI	Days	Minimum Target	Average Case Time (days)	FPS	NFPS	FPS	NFPS	TOTAL (cases)	Within Target	Actual Performance	Comments
Death in Service	F2-F4	5	100	1	0	1	0	0	1	1	100.00	
Death of a pensioner	F2-F4	5	100	5	1	0	0	0	1	1	100.00	
Deferred Benefits	E4	10	90	5	0	3	0	0	3	3	100.00	
Divorce Cases	D10+E11	30	100	#N/A	0	0	0	0	0	0	0.00	
Estimates	D5-D9	10	100	3	3	3	0	0	6	6	100.00	
General	Enquiries	10	100	6	2	2	0	0	4	4	100.00	
Processing new entrants	A4	10	90	0	0	21	0	0	21	21	100.00	
Refunds	E3	10	100	#N/A	0	0	0	0	0	0	0.00	
Retirement Actual	E6-E10	10	100	1	0	2	0	0	2	2	100.00	
Retirement Options	D5-D9	10	100	3	2	1	0	0	3	3	100.00	
Transfers – in (Calculation)	0	10	90	5	0	1	0	0	1	1	100.00	
Transfers – in (Payment received)	0	10	90	#N/A	0	0	0	0	0	0	0.00	
Transfers – Out (Calculation)	D4	10	100	#N/A	0	0	0	0	0	0	0.00	
Transfers – Out (Payment)	E5	10	100	#N/A	0	0	0	0	0	0	0.00	
Variations	C1-C6	10	90	5	36	58	0	0	94	94	100.00	

October 2018

Service	KPI	Days	Minimum Target	Average Case Time (days)	FPS	NFPS	FPS	NFPS	TOTAL (cases)	Within Target	Actual Performance	Comments
Death in Service	F2-F4	5	100	#N/A	0	0	0	0	0	0	0.00	
Death of a pensioner	F2-F4	5	100	5	1	0	0	0	1	1	100.00	
Deferred Benefits	E4	10	90	5	1	6	0	0	7	7	100.00	
Divorce Cases	D10+E11	30	100	7	1	0	0	0	1	1	100.00	
Estimates	D5-D9	10	100	5	9	1	0	0	10	10	100.00	
General	Enquiries	10	100	4	7	4	0	0	11	11	100.00	
Processing new entrants	A4	10	90	1	0	3	0	0	3	3	100.00	
Refunds	E3	10	100	#N/A	0	0	0	0	0	0	0.00	
Retirement Actual	E6-E10	10	100	1	1	0	0	0	1	1	100.00	
Retirement Options	D5-D9	10	100	5	3	1	0	0	4	4	100.00	
Transfers – in (Calculation)	0	10	90	5	0	1	0	0	1	1	100.00	
Transfers – in (Payment received)	0	10	90	10	0	1	0	0	1	1	100.00	
Transfers – Out (Calculation)	D4	10	100	3	1	0	0	0	1	1	100.00	
Transfers – Out (Payment)	E5	10	100	9	1	1	0	0	2	2	100.00	
Variations	C1-C6	10	90	4	26	16	0	0	42	42	100.00	

Page 30

November 2018

Service	KPI	Days	Minimum Target	Average Case Time (days)	FPS	NFPS	FPS	NFPS	TOTAL (cases)	Within Target	Actual Performance	Comments
Death in Service	F2-F4	5	100	#N/A	0	0	0	0	0	0	0.00	
Death of a pensioner	F2-F4	5	100	5	2	0	0	0	2	2	100.00	
Deferred Benefits	E4	10	90	5	0	5	0	0	5	5	100.00	
Divorce Cases	D10+E11	30	100	#N/A	0	0	0	0	0	0	0.00	
Estimates	D5-D9	10	100	2	23	1	0	0	24	24	100.00	
General	Enquiries	10	100	4	11	6	0	0	17	17	100.00	
Processing new entrants	A4	10	90	#N/A	0	0	0	0	0	0	0.00	
Refunds	E3	10	100	#N/A	0	0	0	0	0	0	0.00	
Retirement Actual	E6-E10	10	100	#N/A	0	0	0	0	0	0	0.00	
Retirement Options	D5-D9	10	100	3	3	0	0	0	3	3	100.00	
Transfers – in (Calculation)	0	10	90	#N/A	0	0	0	0	0	0	0.00	
Transfers – in (Payment received)	0	10	90	2	1	1	0	0	2	2	100.00	
Transfers – Out (Calculation)	D4	10	100	5	0	1	0	0	1	1	100.00	
Transfers – Out (Payment)	E5	10	100	8	1	2	0	0	3	3	100.00	
Variations	C1-C6	10	90	4	19	25	0	0	44	44	100.00	

December 2018

Service	KPI	Days	Minimum Target	Average Case Time (days)	FPS	NFPS	FPS	NFPS	TOTAL (cases)	Within Target	Actual Performance	Comments
Death in Service	F2-F4	5	100	#N/A	0	0	0	0	0	0	0.00	
Death of a pensioner	F2-F4	5	100	3	2	0	0	0	2	2	100.00	
Deferred Benefits	E4	10	90	5	0	2	0	0	2	2	100.00	
Divorce Cases	D10+E11	30	100	#N/A	0	0	0	0	0	0	0.00	
Estimates	D5-D9	10	100	5	3	1	0	0	4	4	100.00	
General	Enquiries	10	100	3	3	0	0	0	3	3	100.00	
Processing new entrants	A4	10	90	#N/A	0	0	0	0	0	0	0.00	
Refunds	E3	10	100	#N/A	0	0	0	0	0	0	0.00	
Retirement Actual	E6-E10	10	100	1	2	0	0	0	2	2	100.00	
Retirement Options	D5-D9	10	100	5	1	0	0	0	1	1	100.00	
Transfers – in (Calculation)	0	10	90	#N/A	0	0	0	0	0	0	0.00	
Transfers – in (Payment received)	0	10	90	#N/A	0	0	0	0	0	0	0.00	
Transfers – Out (Calculation)	D4	10	100	#N/A	0	0	0	0	0	0	0.00	
Transfers – Out (Payment)	E5	10	100	#N/A	0	0	0	0	0	0	0.00	
Variations	C1-C6	10	90	4	6	24	0	0	30	30	100.00	

January 2019

Service	KPI	Days	Minimum Target	Average Case Time (days)	FPS	NFPS	FPS	NFPS	TOTAL (cases)	Within Target	Actual Performance	Comments
Death in Service	F2-F4	5	100	#N/A	0	0	0	0	0	0	0.00	
Death of a pensioner	F2-F4	5	100	6	1	0	0	0	1	1	100.00	
Deferred Benefits	E4	10	90	5	0	3	0	0	3	3	100.00	
Divorce Cases	D10+E11	30	100	9	1	0	0	0	1	1	100.00	
Estimates	D5-D9	10	100	5	3	4	0	0	7	7	100.00	
General	Enquiries	10	100	7	11	3	0	0	14	14	100.00	
Processing new entrants	A4	10	90	1	0	1	0	0	1	1	100.00	
Refunds	E3	10	100	#N/A	0	0	0	0	0	0	0.00	
Retirement Actual	E6-E10	10	100	2	4	0	0	0	4	4	100.00	
Retirement Options	D5-D9	10	100	4	6	2	0	0	8	8	100.00	
Transfers – in (Calculation)	0	10	90	#N/A	0	0	0	0	0	0	0.00	
Transfers – in (Payment received)	0	10	90	#N/A	0	0	0	0	0	0	0.00	
Transfers – Out (Calculation)	D4	10	100	#N/A	0	0	0	0	0	0	0.00	
Transfers – Out (Payment)	E5	10	100	8	1	3	0	0	4	4	100.00	
Variations	C1-C6	10	90	4	19	27	0	0	46	46	100.00	

February 2019

Service	KPI	Days	Minimum Target	Average Case Time (days)	FPS	NFPS	FPS	NFPS	TOTAL (cases)	Within Target	Actual Performance	Comments
Death in Service	F2-F4	5	100	#N/A	0	0	0	0	0	0	0.00	
Death of a pensioner	F2-F4	5	100	5	2	0	0	0	2	2	100.00	
Deferred Benefits	E4	10	90	6	0	3	0	0	3	3	100.00	
Divorce Cases	D10+E11	30	100	#N/A	0	0	0	0	0	0	0.00	
Estimates	D5-D9	10	100	4	5	2	0	0	7	7	100.00	
General	Enquiries	10	100	5	6	0	0	0	6	6	100.00	
Processing new entrants	A4	10	90	4	2	7	0	0	9	9	100.00	
Refunds	E3	10	100	#N/A	0	0	0	0	0	0	0.00	
Retirement Actual	E6-E10	10	100	2	2	0	0	0	2	2	100.00	
Retirement Options	D5-D9	10	100	4	2	0	0	0	2	2	100.00	
Transfers – in (Calculation)	0	10	90	#N/A	0	0	0	0	0	0	0.00	
Transfers – in (Payment received)	0	10	90	#N/A	0	0	0	0	0	0	0.00	
Transfers – Out (Calculation)	D4	10	100	2	0	1	0	0	1	1	100.00	
Transfers – Out (Payment)	E5	10	100	8	1	4	0	0	5	5	100.00	
Variations	C1-C6	10	90	4	17	28	0	0	45	45	100.00	

March 2019

Service	KPI	Days	Minimum Target	Average Case Time (days)	FPS	NFPS	FPS	NFPS	TOTAL (cases)	Within Target	Actual Performance	Comments
Death in Service	F2-F4	5	100	#N/A	0	0	0	0	0	0	0.00	
Death of a pensioner	F2-F4	5	100	#N/A	0	0	0	0	0	0	0.00	
Deferred Benefits	E4	10	90	5	1	0	0	0	1	1	100.00	
Divorce Cases	D10+E11	30	100	8	2	0	0	0	2	2	100.00	
Estimates	D5-D9	10	100	4	3	1	0	0	4	4	100.00	
General	Enquiries	10	100	4	4	3	0	0	7	7	100.00	
Processing new entrants	A4	10	90	1	0	4	0	0	4	4	100.00	
Refunds	E3	10	100	#N/A	0	0	0	0	0	0	0.00	
Retirement Actual	E6-E10	10	100	#N/A	0	0	0	0	0	0	0.00	
Retirement Options	D5-D9	10	100	5	1	1	0	0	2	2	100.00	
Transfers – in (Calculation)	0	10	90	#N/A	0	0	0	0	0	0	0.00	
Transfers – in (Payment received)	0	10	90	#N/A	0	0	0	0	0	0	0.00	
Transfers – Out (Calculation)	D4	10	100	#N/A	0	0	0	0	0	0	0.00	
Transfers – Out (Payment)	E5	10	100	#N/A	0	0	0	0	0	0	0.00	
Variations	C1-C6	10	90	4	13	33	0	0	46	46	100.00	

Report Addendum

01.01 KPI Reporting – Accuracy and Qualitative Reporting

At the meeting on 22nd November 2018, it was raised that the client report provided to the Pension Board provided details of XPS Administration achievement against the Service Level Agreements; this was in compliance with the targets set within the contract between the Fire Authority and XPS Administration.

As mentioned at the meeting, these statistics may show that XPS Administration are complying with the contractual requirements but member's may not receive the level of service they would normally expect (e.g. benefits are quoted incorrectly or time taken to collate all information is significantly longer than the SLA target).

As a means of combatting this, XPS Administration are looking to provide additional reporting to highlight all work that is held in their system. The intention is to start reporting:

- Outstanding cases at month end
- Cases due in month
- Due cases completed during month
- Due cases completed inside target
- Due cases completed outside target
- Due cases completed <5 days outside target
- Outstanding cases at month start completed
- Total outstanding cases at month end
- Average days to complete
- Due cases: 5 within target

Although this will not fully meet the qualitative part of the original request, XPS Administration believe that it will provide a better overview of the work within the administration system and highlight any areas that may be causing problems. This will include all request cases so the Pension Board, and the Fire Authority, can see if there are delays in the provision of information (whether internally or via outside parties).

With regards qualitative measures, XPS Administration believe that the reporting of complaints will highlight any areas of concern. Recalculation of benefits discovered at the checking stage would not be a good barometer of quality due to this being affected by training of new staff on different processes.

01.02 2017/18 Annual Benefit Statement Issuance

Following the issuance of the 2017/18 Annual Benefit Statements (ABS) by XPS Administration, Kier Pensions Unit at that time, it transpired that 36 ABS's were not issued; this covered 31 members.

Following an investigation into the members that did not receive an ABS they were split into the following groups:

- 1 related to a Modified Retained Firefighter who required a manual calculation. The ABS had been issued separately which the report did not pick up
- 10 records had issue with data held (e.g. no CARE contributions, CARE data on the final salary record). These are being investigated further.
- 19 had multiple (3 or more) records which caused issues with our system. This is being investigated further.
- 6 were not due an ABS. They were a mixture of leavers prior to the issuance of the ABS or, by our records, a 2018/19 scheme joiner.

01.03 Transfer To XPS IT Infrastructure

Following the sale of the Pensions Unit by Kier to XPS Administration on 1st November 2018, there was an IT Technical Service Agreement (TSA) in place, whereby the Middlesbrough office would continue to be hosted by Kier IT for a period up to 6 months.

During the weekend of 30th March the IT infrastructure moved to XPS, with the pension administration now being hosted by the software suppliers. This is expected to provide greater flexibility and stronger Business Continuity and Disaster Recovery procedures than under Kier.

The next stage is to transfer the BACS Bureau. The first stage has just been completed whereby we are now paying benefits via the BACS solution within XPS. This will change again later this year when a new BACS server is brought online once the BACS audit of it has been completed (expected in the next few months).

CHESHIRE FIRE AND RESCUE SERVICE

MEETING OF: LOCAL PENSION BOARD – FIREFIGHTERS
PENSIONS SCHEME
DATE: 7 MAY 2019
REPORT OF: SCHEME MANAGER
AUTHOR: JILL SWIFT

SUBJECT: FIREFIGHTER PENSION SCHEME UPDATE

Purpose of Report

1. The purpose of this report is to provide the Pension Board with an update on current issues relating to the Firefighters' Pension Schemes.

Information

Membership Statistics

2. Membership statistics are detailed in Appendix A.

Firefighter Pension Scheme Bulletins

3. Any actions for FRAs outlined in the monthly LGA bulletins are monitored on the Action Log at Appendix B. Copies of the FPS bulletins issued since the November Pension Board meeting are included for reference.

Firefighter Pension Scheme Valuation and Cost Cap Process

4. Following the outcome of the McCloud and Sargeant age discrimination cases. The Government is currently seeking permission to appeal the ruling. As a result, HM Treasury announced in January that the cost cap rectification process would be suspended until the situation becomes clearer.
5. In FPS Bulletin 16, the LGA confirmed that there would be no changes to employee contribution or accrual rates. However, the employer contribution rates have increased significantly from 1 April 2019 to:

Scheme	ERs Contribution Rate	Previous Rate
1992 Scheme	37.3% (+15.6%)	21.7%
Modified Scheme	37.3% (+15.6%)	21.7%
2006 Scheme	27.4% (+15.5%)	11.9%
2015 Scheme	28.8% (+14.5%)	14.3%

6. This was communicated to members in the Green Bulletin and on the intranet in March 2019 and all payroll actions were taken to ensure the new rates were applied from April 2019.

Contracting-Out Reconciliation Exercise

7. CFRS are still currently in phase 2 of the project, which was due to conclude at the end of December 2018. However, HMRC extended the deadlines due to the volume of queries. XPS are currently liaising with HMRC on individual member queries in order to conclude the investigation phase of the project.

Phase 1 – Accessing the data and initial assessment

Phase 2 – Investigation of variances

Phase 3 – Reconcile

Phase 4 – Correct Scheme and HMRC data

8. In HMRC countdown bulletin 39, referenced in FPS Bulletin 14, employers were advised how to request the financial position of their schemes. Authority was given to XPS to request this information on behalf of the FRA by the deadline of 28 February 2019.
9. We are awaiting confirmation from HMRC on whether our scheme is in surplus or deficit. Bills or refunds were due to be issued in April 2019, however to date, the position for CFRS has not yet been confirmed. If the scheme is in surplus a refund will be received by 21 June 2019. If the scheme is in deficit, any balance due will be paid by 21 May 2019.

Surveys and Information Requests

10. Since November, FRAs have been asked to complete a number of different surveys and information requests. To date we have not received any feedback on the outcomes of these, but will update the Pension Board when the results are released.
 - TPR Governance and Administration Survey
 - ABS survey
 - Employer Benchmarking Exercise (undertaken by Aon)
 - Pension Administrator Benchmarking Exercise (completed by XPS)
 - Member benchmarking survey (undertaken by Aon)
 - Request for data regarding opt outs

Regulatory Updates

11. The Police and Firefighters' (Pensions etc.) (Amendment) (England and Wales) Regulations 2019 came into force on 1 April 2019. This amendment clarifies the application of pension increase to split pensions and removes the restriction from the 1992 and compensation schemes on using membership from April 1988 only in the calculation of a survivors pension for surviving civil partners and same-sex

marriage.

12. Initial checks completed by XPS indicate that CFRS are unlikely to have any members affected by the changes to survivors pensions.
13. Following the change to SCAPE factors in October 2018, the Government Actuaries Department has now confirmed factors for the following calculations. XPS have been notified of all changes.
 - Trivial Commutation
 - Added years/Added Pension
 - CPD
 - Tax Charge Debits
 - Non-Club Transfer In
 - Early and Late retirement
 - CETV and Pensioner Cash Equivalent (for Divorce Cases)
 - Pension Debit Adjustment and Pension Credit
 - Club transfers
14. The Public Sector Club Transfer Memorandum has been updated to reflect the updated transfer factors from 1 April 2019. The 'Club' is a list of public sector organisations. If members voluntarily transfer jobs between these organisations, they receive broadly equivalent pension benefits. This enables easier movement of staff within the public sector.

Financial Implications

15. There are no financial implications arising from this report.

Legal Implications

16. There are no legal implications arising from this report.

Equality and Diversity Implications

17. There are no equality and diversity implications arising from this report.

Environmental Implications

18. There are no environmental implications arising from this report.

CONTACT: DONNA LINTON, CLEMONDS HEY, WINSFORD
TEL [01606] 868804
BACKGROUND PAPERS: NONE

Appendix A

Pensioner and Deferred Members

Scheme	Deferred		Pensioner		Widow		Dependant	
1992 Scheme	83	19.2%	711	95.2%	101	96.2%	6	100%
2006 Scheme	215	49.7%	33	4.4%	2	1.9%	0	
2015 Scheme	134	31.1%	3	0.4%	2	1.9%	0	
Total	432		747		105		6	

Active Members

ers

Scheme	Actives	
1992 Scheme – Protected	19	3.0%
1992 Scheme – Taper Protected	20	3.2%
2006 Scheme – Protected	6	1.0%
2006 Scheme – Taper Protected	2	0.4%
2006 Modified Scheme – Protected	11	1.8%
2006 Modified Scheme – Taper Protected	2	0.4%
2015 Scheme	557	90.2%
Total	617	

Opted Out Members v Active

Members

Scheme	Operational Staff	% of WT	% of total operational employees
Wholetime Active Members	390	93.5%	57.9%
Wholetime Oped Out	27	6.5%	4.0%
		% of On Call	% of total operational employees
On Call Active Members	227	88.3%	33.7%
On Call Opted Out	30	11.7%	4.4%
Total	674		

91.5% of operational employees are in a pension

scheme. 8.5% are opted out.

Membership by Age and Ethnicity

Membership by Gender and Ethnicity					
	Gender		Ethnicity		
	Female	Male	BME	Not Known	White
Pension Scheme	%	%	%	%	%
1992	0	100	0	2.6	97.4
2006	0	100	0	0	100.0
Modified	0	100	0	0	100.0
2015	7.4	92.6	1.9	2.2	95.9
Opt Out	7.0	93.0	3.5	0	96.5
Total in a scheme	91.1	91.6	1.8	2.1	96.1
Total opted out	8.9	8.4	3.5	0.0	96.5

Membership by Age					
	18-20	21-30	31-40	41-50	51+
Pension Scheme	%	%	%	%	%
1992	0.0	0.0	0.0	17.9	82.1
2006	0.0	0.0	0.0	0.0	100.0
Modified	0.0	0.0	0.0	7.7	92.3
2015	0.9	23.3	30.7	41.3	3.8
Opt Out	0.0	5.3	59.6	24.5	10.6
Total in a scheme	100.0	97.7	83.4	94.4	92.4
Total opted out	0.0	2.3	16.6	5.6	7.6

Bulletin No.	Action	Completed Date
13	Ensure any under/overpayment of GMP is corrected. Deficits need to be paid by 21st May.	Reconciliation is ongoing. Awaiting confirmation from HMRC about whether scheme in surplus or deficit
18	Comms exercise regarding survivors pensions. Initial review by XPS indicates that CFRS are likely to have no impacted members.	Awaiting comms guidance from LGA
12	Complete ABS survey	14/11/2018
14	Provide LGA with update on scheme reconciliation exercise	31/12/2018
14	Draft and publish employee communications regarding the changes to commutation factors	31/10/2018
14	Complete Administration benchmarking survey	14/01/2019
14	Complete TPR Governance and Administration Survey	30/11/2018
14	Provide purchase order for Scheme Levy	Already provided earlier in Jill Swift
14	Provide comms to members regarding The Police and Firefighters' Pension (Amendment) Regulations 2018 (Split pensions and same sex marriage)	24/04/2019
15	Pension Board Chairs and Scheme Managers, please ensure you liaise with your pension manager to ensure that the updated Added Years/Added Pension and CPD, Tax charge debits and Non-Club Transfer-In ("TV-in") factors are applied with immediate effect.	11/01/2019 & 25/01/2019
15	SAB request for information regarding reasons for opt outs and difficulties surrounding recruitment and retention of talented and experienced personnel due to potential tax consequences of breaching the annual allowance	31/01/2019
15	Ensure TPR annual returns are submitted for all 3 schemes by XPS by deadline of 5 th November	04/11/2018
15	Draft and publish comms to members regarding the Age Discrimination case	28/12/2018
16	Ensure XPS are aware of the changes to Early/Late retirement factors and CETV and divorce factors	28/12/2018
16	Ensure XPS are aware of new added years/added pension/CPD, tax charge debit and non-club transfer factors	04/02/2019
17	Release Member Survey – deadline 28 th Feb	04/02/2019
17	Ensure XPS are aware of new trivial commutation factors	25/02/2019
17	Draft and publish member comms regarding the cost cap mechanism being paused and confirmation of employee and employer contribution rates for 2019/20	12/03/2019

17	Ensure Kier are aware of updated Club Transfer Memorandum and new Club Transfer factors	01/04/2019
17	Provide XPS with written authority to act as administrators with regards to GMP scheme reconciliation in order to request data from HRMC	22/02/2019
18	Notify XPS of new Pension Debit Adjustment and Pension Credit factors	29/03/2019
18	Publish APB guidance on the intranet and ensure it is referenced in temp promotion and temp allowance letters	29/03/2019

FPS Bulletin 15 – December 2018

Welcome to issue 15 of the Firefighters' Pensions Schemes bulletin.

If you are looking for information on a certain topic, don't forget to visit the issue and content indexes which are available on the main bulletin page of the website and are updated following each new issue.

May we take this opportunity to wish you all a very merry Christmas and happy New Year. Thank you for your help and support during 2018.

If you have any comments on the contents of this bulletin or suggested items for future issues, please contact [Claire Hey](#).

Contents

[Calendar of events](#)

[FPS](#)

- [A message from the chair](#)
- [Court of Appeal transitional protections judgement](#)
- [FPS 2016 valuation - update](#)
- [Amendments to Firefighter Pension Schemes \(England\) - Consultation](#)
- [Revised Fire \(England\) factors](#)
- [FPS benchmarking exercise - update](#)
- [SAB request for information](#)
- [December query log](#)
- [Website resource update – guides and sample documents](#)

[Other News and Updates](#)

- [Pensions dashboards](#)
- [New TPR Chief Executive](#)
- [TPO news](#)
- [Indexation of public service pensions](#)

[HMRC](#)

- [HMRC newsletters/bulletins](#)
- [Contracting-out reconciliation update](#)

[Events](#)

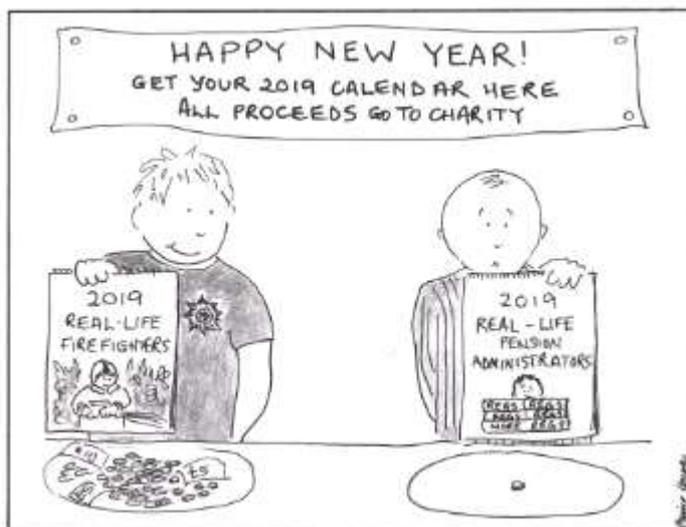
- [That was the year that was...](#)

[Legislation](#)

[Useful links](#)

[Contact details](#)

Calendar of events



Many readers will remember Eunice Heaney and the tales of “Willie Sprinkler”. We are delighted that Eunice has reprised Willie’s starring role for our final bulletin of the year.

Please see below a calendar of upcoming events relevant to the Firefighters’ Pension Schemes. Only those events which are hyperlinked are currently available to book. If you have any events you would like to be included in a future bulletin, please contact [Claire Hey](#).

LPB effectiveness committee	23 January 2019
Fire Communications Working Group	30 January 2019
Administration & benchmarking committee	7 February 2019
Firefighter Pensions Technical Community	12 February 2019
North East regional FPOG	19 February 2019
LGA Leadership Essentials Fire & Rescue (Elected members)	26-27 February 2019
Eastern regional FPOG	27 February 2019
Midlands regional FPOG	1 March 2019
LGA annual fire conference and exhibition	12-13 March 2019
SAB	14 March 2019
SAB	13 June 2019
Firefighters’ Pensions AGM	24-25 September 2019 (provisional)
SAB	10 October 2019
SAB	12 December 2019

FPS

A message from the chair

“Dear friends & colleagues,

If you're reading this, 'Congratulations!', you have virtually made it to the end of another busy year working in and supporting the Fire Pensions domain; only a few more days and you can officially relax, chill and hopefully enjoy your Festive celebrations with family and friends.

It has undoubtedly been a busy year...”

Read more from Malcolm Eastwood, chair of the Firefighters’ Pensions (England) Scheme Advisory Board at [Appendix 1](#), with a summary of the year that has passed and a look the challenges ahead in 2019.

Court of Appeal transitional protections judgement

As you will be aware, yesterday the Court of Appeal handed down the judgment in the Firefighters transitional appeals case. The full judgment is available [here](#).

It is important to note that the case relates only to the transitional protection arrangements in the 2015 firefighters’ pension scheme, and whether these are discriminatory. It does not address the introduction of that scheme itself by the primary legislation of the Public Service Pensions Act 2013.

The case itself has rested on two principles:

- Did government have a ‘legitimate aim’ in introducing the transitional protection as it did, noting a legitimate aim cannot be solely for financial reasons?

and

- Were the means to achieve this appropriate and reasonably necessary?

The earlier employment tribunal and the employment tribunal appeals had reached the answer ‘yes’ on this first question, however, the court of appeal has overturned the first two judgments, coming to the conclusion in paragraph 233 that ‘the manner in which the transitional provisions have been implemented has given rise to unlawful direct age discrimination’.

The court found that, having introduced the protections, the Government should have justified the discriminatory impact but that it had failed to do so, and therefore justification on the grounds of legitimate aims must fail. As a result they dismissed any further deliberation over the question on proportionality of means.

The judgment remits it to the employment tribunal to consider remedy (as per the final sentence of paragraph 164) but, before that step Government can apply for permission to appeal to the Supreme Court, so we cannot speculate on what remedy might involve or what timeframe. **It is important to note that nothing has yet changed in law, and so there is no action for scheme managers or administrators to take with regards to the scheme.**

We understand that Fire and Rescue Authorities and pension administrators will be responding to many queries on this from Firefighters who may believe the judgment from the Court of Appeal automatically amends the scheme rules, and would suggest the following text in reply to such queries.

“Many thanks for your enquiry, we are aware that the Court of Appeal has handed down the judgment in the Firefighters transitional appeals case, finding that the transitional protections introduced with the new Pension scheme in 2015 were unlawfully discriminatory on grounds of age.

It is important to note that the case relates only to the transitional protection arrangements in the 2015 firefighters’ pension scheme, and whether these are discriminatory. It does not address the introduction of that scheme itself by the primary legislation of the Public Service Pensions Act 2013.

What happens next?

We realise that scheme members want to understand what this means for their pension, however, we cannot yet speculate on what remedy might involve. The judgment remits it to the employment tribunal to consider remedy, but before that step Government can apply for permission to appeal to the Supreme Court. So it will most likely be many months before we are able to understand what this means for pension scheme benefits.

In the immediate future, your pension benefits will remain calculated as under the current regulations.

We will endeavour to keep you informed as things progress.”

FPS 2016 valuation – update

On 7 December 2018, the Scheme Advisory Board (SAB) submitted their proposal to the Home Office for rectifying the breach to the cost cap floor by improving member benefits. As advised in previous bulletins, the draft results of the 2016 valuation show that the employer cost cap set at 16.8%¹ has fallen to 11.6%.

The Home Office are considering the proposal with input from HM Treasury and the Government Actuary’s Department (GAD) before a full response can be made to the SAB. If the proposed option is not accepted, the Home Office will provide an alternative option and there will be a period of three months if agreement cannot be reached, during which the Home Office will continue to engage with the SAB to attempt to agree a consensus position.

If a consensus position is not reached within that three month period, the default mechanism is to amend the accrual rate for FPS 2015. GAD has advised that the default accrual rate would be 1/51.2 in order to fully rectify the breach.

Our colleagues at the Home Office have looked into whether it would be possible to provide indicative scheme specific employer contribution rates from April 2018. GAD has advised that they can’t provide indicative rates and that FRAs will have to wait until the Scheme Valuations are finalised and the final scheme specific rates are published.

As such, the general indicative rate of 30.2% is the only information available at present which FRAs can use for budget planning purposes.

Board consultations and responses will be published [here](#) once they are available, and monthly updates will be provided in the bulletins. GAD’s [Public Service Pension Scheme December newsletter](#) also contains interesting information on the valuation and the SCAPE discount rate.

¹ [150A(1) <http://www.legislation.gov.uk/ukxi/2015/465/regulation/5/made>]

Amendments to Firefighter Pension Schemes (England) - Consultation

On 18 December 2018 the Home Office launched a consultation on changes to survivor benefits in the Firefighters' Pension Scheme 1992 and the Firefighters' Compensation Scheme 2006, plus a minor unrelated correction to the Firefighters' Pension Scheme 1992.

In the event of a member's death, the firefighters' pension schemes provide for the payment of certain benefits and awards to a member's spouse or partner ('survivors' benefits'), but as regards qualification for benefit, there are different regulations according to which particular pension scheme the member belonged.

A recent Supreme Court case relating to the entitlements of a pension scheme member's partner has led the Government to give fresh consideration to this matter for all public service pension schemes, including those for firefighters.

In addition, an unrelated minor amendment is required to ensure that one particular aspect of the 1992 Fire scheme works as originally intended.

This [consultation](#) seeks the views of interested parties on [draft legislation](#) to enact these changes. The consultation closes on 29 January 2019.

Revised Fire (England) factors

Further to the letter issued by the Home Office on 31 October regarding the [review of scheme factors](#) due to the change to the SCAPE discount rate, GAD has provided the following replacement factor tables for use with immediate effect from 6 December 2018.

[Appendix 2](#): Early and Late retirement.

Please note that there are different late retirement factors for mainstream pension and added pension.

[Appendix 3](#): CETV and Pensioner Cash Equivalent (for divorce purposes).

CETV and certain other calculations should have been suspended on 31 October 2018. Such calculations can now recommence using the new factors, including on any stockpiled cases. For all other types of calculation, including early retirement, FRAs should follow the usual practice of changing their methods of calculation from the time when new factors are circulated.

GAD has informed us that they will update the guidance and example calculations to reflect these revised factors at a later date. The updated tables and subsequent guidance will be made available at <http://fpsregs.org/index.php/gad-guidance> in due course.

ACTION: Pension Board Chairs and Scheme Managers, please ensure you liaise with your pension manager to ensure that the factors are applied with immediate effect.

FPS benchmarking exercise – update

The deadline for the administrator and employer (scheme manager) benchmarking surveys is fast approaching. If you have not yet had opportunity to do so, we would encourage you to ensure that a response has been submitted for your organisation. We are relying on the support of our stakeholders to collect as much data as possible to allow for meaningful analysis. We are happy to accept responses up to 14 January 2019.

The surveys were sent by email to our main contacts at administrators and FRAs. If you were expecting to receive a copy and have not, please contact claire.hey@local.gov.uk.

Aon have been commissioned to undertake the review by the Scheme Advisory Board (SAB), to help them establish a measure of the cost and effectiveness of administration and management within the schemes. An update from Aon can be viewed [here](#).

More information about the project is available on our dedicated [benchmarking webpage](#) and further updates will be provided in the bulletin each month.

SAB request for information

During the course of their activities throughout the year, SAB members have been made aware of concern at FRAs around opt out levels, and difficulties surrounding recruitment and retention of talented and experienced personnel due to potential tax consequences of breaching the annual allowance.

To date, the evidence received has been anecdotal. In order to support the Board in presenting a case to the Home Office on how schemes might be better managed to give choice and flexibility to pension members to stay in the scheme, more quantitative data is required.

The SAB needs your help in collecting this information. Please see the request for information at [Appendix 4](#). Completed forms should be submitted to bluelight.pensions@local.gov.uk by 31 January 2019.

December query log

The current [log of queries and responses](#) is available on the FPS Regulations and Guidance website. The queries have been anonymised and divided into topics. The log will be updated on a monthly basis in line with the bulletin release dates.

Queries from earlier months have been grey-shaded to differentiate from new items added in November.

Website resource update – guides and sample documents

We are pleased to add the following documents that have been produced in collaboration with the Fire Communications Working Group to the [guides and sample documents](#) page of www.fpsregs.org:

Retirement from FPS 2015 - member factsheet
Opting out of FPS 1992 – notes
Opting out of FPS 2006 (standard member) – notes
Opting out of FPS 2006 (special member) – notes
Opting out of FPS 2015 – notes
Election to opt out (all schemes)

Other News and Updates

Pensions dashboards

The results of a feasibility study to explore the options for the delivery of online pensions dashboards were released in the form of a government [consultation](#) on 3 December 2018. The consultation is seeking views on how the government can best facilitate an industry-led delivery of a pensions dashboards. The consultation closes at 11pm on 28 January 2019.

The consultation proposals include the following:

- a non-commercial dashboard be hosted by the [Single Financial Guidance Body](#) (SFGB) together with multiple commercial dashboards hosted by different organisations, in order to improve consumer choice and enable them to use the dashboard that most suits their needs.
- the establishment of a delivery group, convened and stewarded by the SFGB, which would work towards the successful implementation of the technology that will allow pensions dashboards to operate.
- a single 'Pension Finder Service' (PFS) will act as a search engine to find pension schemes linked to an individual.
- state pension data will ultimately be part of the service.
- with the consent of the individual, pension schemes will be required in legislation to provide an individual's data via pensions dashboards.
- Public service pension schemes be given longer lead-in times to prepare their data prior to on-boarding. It is expected that the pensions industry will start to supply data to a dashboard, on a voluntary basis, from 2019, the majority of schemes will be on-boarded within 3 to 4 years from the first dashboards being available to the public.

New TPR Chief Executive

On 18 December, the Pensions Regulator (TPR) [announced](#) they have appointed Charles Counsell as their new Chief Executive. Charles Counsell is currently Chief Executive of the Money Advice Service and will join TPR at the start of April following the departure of Lesley Titcomb at the conclusion of her term as Chief Executive at the end of February.

TPO news

On 17 December, DWP [announced](#) that Anthony Arter has been re-appointed as the Pensions Ombudsman for a further two years until 31 July 2021.

On 19 December, the government published a [consultation](#) seeking views on proposals for a new function at TPO for the earlier resolution of disputes prior to a determination; allowing employers to make complaints or refer disputes to TPO on behalf of themselves and associated signposting provisions. The consultation closes at 11pm on 18 January 2019.

TPO have published the fifth edition of their stakeholder newsletter which is attached to this bulletin as [Appendix 5](#).

Earlier communications from TPO and a full history of determinations in relation to FPS can be found [here](#).

Indexation of public service pensions

On 4 December, HMT issued an updated [direction](#) under Section 59A of the Social Security Pensions Act 1975. The direction continues existing indexation provisions and, as a result of HMT's 2017 consultation on [GMP indexation and equalisation](#), extends the arrangements to some additional groups of pensioners.

Our colleagues on the Local Government Pension Committee Secretariat have confirmed that they will review the updated direction and issue guidance which may be adapted for use by the other PSPS in the new year.

HMRC

HMRC newsletters/bulletins

HMRC have published the following newsletters this month:

[Manage and Register Pension Schemes service newsletter](#) – 11 December 2018

[Relief at source pension schemes newsletter](#) – 5 December 2018

Contracting-out reconciliation update

The following bulletin, containing important guidance and information about the end of contracting out and the scheme reconciliation process, was published by HMRC in December.

[Countdown bulletin 40](#)

Updates include:

- Scheme Financial Reconciliation
- Contributions Equivalent Premium guidance
- Shared Workspace
- Clerical Scheme Reconciliation Service (SRS)
- SRS Stalemate Queries

Events

That was the year that was...

Throughout the year we have been privileged to travel the country, attending meetings and providing training to FRAs, LPBs, and administrators. We have held a number of national training seminars at the LGA offices in London, as well as pursuing joint opportunities with our colleagues in police.

Information about our national events can be found on our [Events](#) page.

The year in figures

14 Local Pension Board meetings/ training	1 administrator training
1 scheme manager training	1 software provider training
4 SAB and 8 SAB committee meetings	3 technical group meetings
3 communication group meetings	15 regional FPOGs
1 AGM	2 subject specific workshops
1 joint governance event	10 sector-wide events

The year in pictures



We look forward to offering an exciting and varied programme of events in 2019, and as ever, are happy to tailor bespoke sessions for local and regional groups. For information, please contact us as bluelight.pensions@local.gov.uk.

Legislation

SI	Reference Title
2018/1330	The Financial Guidance and Claims Act 2018 (Commencement No. 5) Regulations 2018

Useful links

- [The Firefighters' Pensions \(England\) Scheme Advisory Board](#)
- [FPS Regulations and Guidance](#)
- [Khub Firefighters Pensions Discussion Forum](#)
- [FPS1992 guidance and commentary](#)
- [The Pensions Regulator Public Service Schemes](#)
- [The Pensions Ombudsman](#)
- [HMRC Pensions Tax Manual](#)
- [LGA pensions website](#)

Contact details

Clair Alcock (Firefighters' Pension Adviser)

Telephone: 020 7664 3189

Email: clair.alcock@local.gov.uk

Kevin Courtney (NPCC Pensions Adviser)

Telephone: 020 7664 3202

Email: kevin.courtney@local.gov.uk

Claire Hey (Assistant Firefighters' Pension Adviser)

Telephone: 020 7664 3205

Email: claire.hey@local.gov.uk

FPS Bulletin 16 – January 2019

Happy New Year! And welcome to issue 16 of the Firefighters' Pensions Schemes bulletin.

If you are looking for information on a certain topic, don't forget to visit the issue and content indexes which are available on the main bulletin page of the website and are updated following each new issue.

If you have any comments on the contents of this bulletin or suggested items for future issues, please contact [Claire Hey](#).

Contents

[Calendar of events](#)

[FPS](#)

- [Transitional protections - what is remedy?](#)
- [FPS 2016 valuation - HMT written ministerial statement](#)
- [Revised Fire \(England\) factors](#)
- [FPS benchmarking exercise - member survey launched](#)
- [SAB request for information - deadline extended](#)
- [Website resource update – ill health](#)
- [SAB cost-effectiveness committee vacancy](#)
- [Amendments to FPS \(England\) consultation response](#)
- [January query log](#)

[Other News and Updates](#)

- [SFGB goes live](#)
- [Pensions dashboards consultation response](#)
- [GAD PSPS newsletter](#)

[HMRC](#)

- [HMRC newsletters/bulletins](#)
- [Contracting-out reconciliation update](#)

[Training and Events](#)

- [Scheme manager training - new!](#)
- [2019 events](#)

[Legislation](#)

[Useful links](#)

[Contact details](#)

Calendar of events

Please see below a calendar of upcoming events relevant to the Firefighters' Pension Schemes. Only those events which are hyperlinked are currently available to book. If you have any events you would like to be included in a future bulletin, please contact [Claire Hey](#).

Administration & benchmarking committee	7 February 2019
Firefighter Pensions Technical Community	12 February 2019
North East regional FPOG	19 February 2019
LGA Leadership Essentials Fire & Rescue (Elected members)	26-27 February 2019
Eastern regional FPOG	27 February 2019
Midlands regional FPOG	1 March 2019
LGA annual fire conference and exhibition	12-13 March 2019
SAB	14 March 2019
South East regional FPOG	18 March 2019
Data seminar	3 April 2019
LPB effectiveness committee	18 April 2019
Joint Fire and Police governance event	15 May 2019
SAB	13 June 2019
Ill health and medical appeals seminar	19 June 2019
Pensionable pay workshop	18 July 2019
Firefighters' Pensions AGM	24-25 September 2019 (provisional)
SAB	10 October 2019
Pensions tax seminar	12 November 2019
SAB	12 December 2019

FPS

Transitional protections – what is remedy?

Further to the court of appeal judgment and our brief statement in [FPS Bulletin 15 - December 2018](#), we understand that there are still some questions with regards to the outcome of the judgment.

We understand that government have now appealed to the Supreme Court. If the Supreme Court reject the case for appeal then the next step is to remit to the employment tribunal for a decision on 'remedy'.

While recognising that we are unable to speculate on what the remedy might be, we thought it would be helpful to confirm what it is that needs to be remedied.

The transitional appeals case has centred on whether the [transitional provisions](#) of the 2015 scheme are lawful. There has been no challenge to the primary legislation, the [Public Services Pensions Act 2013 \[18\]](#), which restricts the continuing provision of the existing final salary schemes. Therefore it is only by the virtue of the transitional provisions in the 2015 scheme that some members have been protected and continue to have pension benefits calculated in the 1992 or 2006 scheme.

As the court of appeal have found the transitional protections are unlawful, the question of remedy centres on how the transitional provisions should be made lawful, and how taper protected and unprotected members who have been subject to those provisions from the date the legislation came into force (1 April 2015) and moved into the 2015 scheme would be compensated if required.

FPS 2016 valuation - HMT written ministerial statement

On 30 January 2019, HM Treasury issued a [written ministerial statement](#) with regards to the effect of the recent judgments on the McCloud and Sargeant cases on the valuation.

As a result of this announcement, the cost cap rectification process for the Firefighter Pension Scheme will be suspended, pending the outcome to the Government's appeal.

HM Treasury has also advised that the employer rate that Fire and Rescue Authorities pay towards firefighter pensions should be increased as of 1 April 2019. Following this announcement GAD are able to calculate the individual employer contribution rate for the four firefighter schemes which we will confirm these rates as soon as possible.

There will be no changes to firefighter pension schemes member's contribution rate or the accrual rate at this stage.

In light of the above, the Board's proposal to the Home Office on rectification of the cost cap breach will be suspended. Any consultation and response documents will be published [here](#) once they are available, and monthly updates will be provided in the bulletins.

Revised Fire (England) factors

Further to the letter issued by the Home Office on 31 October regarding the [review of scheme factors](#) due to the change to the SCAPE discount rate, GAD has provided the following replacement factor tables.

[Appendix 1: Added Years/Added Pension and CPD.](#)

These factors replace those currently in use with immediate effect from 11 January 2019.

We can confirm that there is no obligation to split the year; the new factors on CPD are now in force and should be used for all cases that arise going forwards. Note that the CPD factors (table x801) now commence from age 49, as this is the youngest age at which these factors might now be needed due to the structure of tapered protection. This is based this on the table in Part 4 of Schedule 2 of the FPS (England) Regulations 2014.

[Appendix 2: Tax charge debits.](#)

These factors replace those currently in use with immediate effect from 24 January 2019. This is still the case when calculating a scheme pays debit for a pensions tax charge incurred in the 2017/2018 year.

The spreadsheet contains the revised factors which are based on a SCAPE discount rate of 2.4% net of CPI increases. The spreadsheet provides replacement Tax charge debit factors for those currently included within GAD guidance notes.

The impact of the change in discount rate is generally that members using Scheme Pays to meet Annual Allowance or Lifetime Allowance tax charges will need to convert a lower amount of pension to pay a given charge.

[Appendix 3: Non-Club Transfer-In \(“TV-in”\).](#)

The suspension of these cases from 31 October 2018 can now be lifted and these factors can be used with immediate effect, including on any stockpiled cases.

The spreadsheet contains the revised TV-in factors which are based on a SCAPE discount rate of 2.4% net of CPI and, where appropriate, a long-term earnings growth assumption of 4.2% pa. The spreadsheet provides replacement TV-in factors for those currently included within GAD’s guidance notes for FPS 2015. For FPS 2006 GAD intend to discontinue the factors issued previously and proceed on a case by case basis going forwards.

The impact of the change in discount rate is generally that the TV-in factors are increased, therefore members transferring in will, all else being equal, receive a smaller service credit / pension credit in the receiving scheme.

For the tables above, GAD has adopted unisex factors (using 95% male members and 5% female members) in line with the current membership of the scheme. All of the tables in the spreadsheets are explained in the ‘Factor List’ tab.

We would be grateful if administrators could undertake some sample calculations using the new factors, which we can forward to GAD to ensure that they have been implemented in line with current guidance. Please send any examples to bluelight.pensions@local.gov.uk.

GAD has informed us that they will update the guidance and example calculations to reflect these revised factors at a later date. The updated tables and subsequent guidance will be made available at <http://fpsregs.org/index.php/gad-guidance> in due course.

ACTION: Pension Board Chairs and Scheme Managers, please ensure you liaise with your pension manager to ensure that the factors are applied with immediate effect.

FPS benchmarking exercise – member survey launched

As readers will be aware, Aon have been commissioned to undertake a benchmarking review of FPS administration in relation to cost and service provided. More information can be found on our dedicated [benchmarking review](#) webpage.

We were delighted to be able to launch the web-based member survey on 21 January and are even more delighted to report that we have already received well over 1,000 responses at the time of writing. The member survey will run until 28 February 2019.

The survey can be accessed at <http://bit.ly/FPS-Memb-Survey> and we are interested to hear from all member stakeholders, whether they be active, deferred, pensioners or dependents.

We are relying on your support to advertise the survey as widely as possible. However, our expectation is that employers and administrators will only contact members where it is efficient and cost-effective to do so. For example: by email, using social media for business such as Workplace or [LinkedIn](#) where available, and existing contact groups and networks for pensioners or other out of trade members. The Scheme Advisory Board do not wish any Authority to incur additional unnecessary expenses in printing or postage costs.

We have produced the attached poster ([Appendix 4](#)) to promote the survey at stations or any other Fire and Rescue Service premises and include some sample text below that can be used to issue the survey link to your members, where email addresses are held. The survey can also be completed via the benchmarking review webpage.

Suggested email text:

FPS administration benchmarking - member survey - action required

The Firefighters' Pensions (England) Scheme Advisory Board in partnership with Aon is undertaking a survey of the service you receive in relation to your pension. They are interested to hear your views on the frequency and quality of information you receive about your benefits. This data will be collected by Aon to feed into a report to benchmark the standard of service across the Firefighters' Pension Scheme in England.

Please complete the survey here: <http://bit.ly/FPS-Memb-Survey>

The survey will take around 5 minutes to complete and all responses are anonymous. The closing date is 28 February 2019.

SAB request for information – deadline extended

As detailed in [FPS Bulletin 15 – December 2018](#), SAB members have been made aware over the past year of increasing concern at FRAs around opt out levels, and difficulties surrounding recruitment and retention of talented and experienced personnel due to potential tax consequences of breaching the annual allowance.

In order to support the Board in presenting a case to the Home Office on how schemes might be better managed to give choice and flexibility to pension members to stay in the scheme, a request for quantitative information was made in December, to support the anecdotal evidence received.

Unfortunately, we have received a limited number of responses, and those that have been received do not support the supposed position. Therefore, we are extending the deadline for responses to 28 February 2019. The SAB would be grateful for your assistance in completing the request for information at [Appendix 5](#). Completed forms should be submitted to bluelight.pensions@local.gov.uk.

Website resource update – ill health

In [FPS Bulletin 14 – November 2018](#), we advertised our new [ill health and injury page](#) for practitioners, containing guidance and training materials along with forms for each scheme that were prepared in 2015 and circulated as drafts for authorities to use if they wished.

Authorities should note that a new version of FPS 1992 Medical Certificate B (deferred pension medical opinion) has been added to the site, incorporating a question to ascertain whether the deferred member is “permanently incapacitated by physical or mental infirmity from engaging in any regular full-time employment”, in order to determine eligibility for immediate payment of Pensions Increase if they are below the age of 55 when the deferred pension comes into payment.

FRAs should also bear in mind that [Rule B5\(4\)](#) was amended by SI 2005/2980 to state that a deferred pension could be paid before age 60 “*from any earlier date on which he becomes permanently disabled for engaging in firefighting or performing any other duties appropriate to his former role as a firefighter*”. Therefore, the member needs to be incapacitated from all the duties of his/her former role, not just firefighting, to be eligible for a deferred award on the grounds of ill health.

Note, that these forms have not been endorsed by the LGA or the Home Office. Authorities should satisfy themselves that the certificates meet all of their requirements and do not leave the opinion open to challenge.

If you require a log-in for the site, please contact bluelight.pensions@local.gov.uk.

SAB cost-effectiveness committee vacancy

We have a vacancy on the [SAB cost effectiveness committee](#) for an HR FRA representative. If you are interested in sitting on this committee, please email clair.alcock@local.gov.uk for further information.

Amendments to FPS (England) consultation response

In [FPS Bulletin 15 – December 2018](#), we reported that the Home Office had launched a [consultation on draft legislation](#) to make changes to survivor benefits in the Firefighters’ Pension Scheme 1992 and the Firefighters’ Compensation Scheme 2006, plus a minor unrelated correction to the Firefighters’ Pension Scheme 1992. The LGA response to that consultation can be found [here](#).

January query log

The current [log of queries and responses](#) is available on the FPS Regulations and Guidance website. The queries have been anonymised and divided into topics. The log will be updated on a monthly basis in line with the bulletin release dates.

Queries from earlier months have been grey-shaded to differentiate from new items added in December.

Other News and Updates

SFGB goes live

After becoming a legal entity in October 2018, the government's Single Financial Guidance Body (SFGB) has now officially adopted its delivery functions.

For the first time, the SFGB consolidates the services offered by the Money Advice Service, TPAS, and Pension Wise. On its [official website](#), the SFGB sets out its five core functions, including pensions guidance, debt advice, and consumer protection.

The SFGB is funded by levies on both the financial services industry and pension schemes. The new body is sponsored by the Department for Work and Pensions, but will also engage with HM Treasury, which is responsible for policy on financial capability and debt advice. The body will also change its name in 2019 as it develops a new outreach strategy, which will include a new integrated service offer and enhanced partnership working with the wider industry, employers and key stakeholders.

Pensions dashboards consultation response

In [FPS Bulletin 15 – December 2018](#), we reported that the DWP had opened a [consultation](#) on pensions dashboards. The Scheme Advisory Board response can be found [here](#).

GAD PSPS newsletter

The Government Actuary's Department has issued the [January edition](#) of its Public Service Pension Schemes newsletter. This is intended to be an informal note to provide regular updates on what is happening within the PSPS area of GAD and to highlight some current hot topics that schemes and other department contacts might be interested in.

HMRC

HMRC newsletters/bulletins

HMRC have published pension schemes newsletter 106 containing important updates and guidance on pension schemes. The following issues are covered:-

[Pension schemes newsletter 106 – 30 January 2019](#): Pension flexibility statistics | Lifetime allowance for 2019 to 2020 | Reporting non-taxable death benefits | Changes to HMRC email addresses | Guaranteed Minimum Pension (GMP) | Relief at source – January 2019 notification of residency status reports | Relief at source – annual return of information declaration | Change of name for the Manage and Register Pension Schemes service | Master Trusts |

Also published this month:

[Relief at source pension schemes newsletter](#) – 17 January 2019

Contracting-out reconciliation update

The following bulletin, containing important guidance and information about the end of contracting out and the scheme reconciliation process, was published by HMRC in January.

[Countdown bulletin 41](#)

Updates include:

- Scheme financial reconciliation update
- Scheme financial reconciliation in scheme cessation
- Contributions Equivalent Premiums
- Resubmission responses

Training and Events

Scheme manager training – new!

New for 2019 is a refreshed training session for scheme managers and pension boards. The training is a five hour session that splits into three, allowing you to decide whether the attendees need to stay for the full five hours. However, as ever, we are happy to provide a bespoke version as you desire. The full programme is a two hour scheme manager training session in the morning, followed by an hour on understanding the results of the recent valuation and the changes that might be made to the scheme as a result, and the transitional protections case, finishing with a two hour pension board session.

The delegates for the scheme manager training should be those who are assigned the scheme manager role under [regulation 4](#), which is the “fire and rescue authority for an area in England determined in accordance with section 1 of the Fire and Rescue Services Act 2004”, those who have a formal delegation of scheme manager under [regulation 5](#), and the local pension board whose role under [regulation 4A](#) is to assist the scheme manager achieve compliance, i.e. ensuring that any delegation in place under regulation 5 is managed properly.

The training is intended to strengthen the relationship between the scheme manager and the pension board, and we have attached an example of both the [scheme manager training](#) delivered in October to South Yorkshire FRA, and the [report](#) that they produced following the training. The aim of these sessions is to give both boards and scheme managers confidence that the scheme is being managed well.

To complement the training package, we have prepared a short factsheet to give guidance on the role of scheme manager. The factsheet is available at [Appendix 6](#), and also can also be viewed on our [factsheets](#) page.

2019 events

We have put together a topical and varied programme of national events for 2019. Details of the dates can be found in the [calendar](#) section of the bulletin.

We will continue to offer bespoke in-house training throughout the year. Each board is entitled to a free annual training session under the statutory levy, which can be utilised on the scheme manager training package above.

For more information or to book a session, please contact us as at bluelight.pensions@local.gov.uk.

Legislation

SI	Reference Title
2019/29	The Finance Act 2004 (Standard Lifetime Allowance) Regulations 2019

Useful links

- [The Firefighters' Pensions \(England\) Scheme Advisory Board](#)
- [FPS Regulations and Guidance](#)
- [Khub Firefighters Pensions Discussion Forum](#)
- [FPS1992 guidance and commentary](#)
- [The Pensions Regulator Public Service Schemes](#)
- [The Pensions Ombudsman](#)
- [HMRC Pensions Tax Manual](#)
- [LGA pensions website](#)

Contact details

Clair Alcock (Firefighters' Pension Adviser)

Telephone: 020 7664 3189

Email: clair.alcock@local.gov.uk

Kevin Courtney (NPCC Pensions Adviser)

Telephone: 020 7664 3202

Email: kevin.courtney@local.gov.uk

Claire Hey (Assistant Firefighters' Pension Adviser)

Telephone: 020 7664 3205

Email: claire.hey@local.gov.uk

FPS Bulletin 17 – February 2019

Welcome to issue 17 of the Firefighters' Pensions Schemes bulletin.

If you are looking for information on a certain topic, don't forget to visit the issue and content indexes which are available on the main bulletin page of the website and are updated following each new issue.

If you have any comments on the contents of this bulletin or suggested items for future issues, please contact [Claire Hey](#).

Contents

[Calendar of events](#)

[FPS](#)

- [Revised Fire \(England\) factors](#)
- [FPS benchmarking exercise - update](#)
- [Technical queries](#)
- [Pension sharing on divorce \(transitional members\)](#)
- [SAB cost-effectiveness committee vacancy](#)
- [February query log](#)

[Other News and Updates](#)

- [Public Service Pension Indexation and Revaluation 2019](#)
- [The Public Service Pensions \(Valuations and Employer Cost Cap\) \(Amendment and Savings\) Directions 2019](#)
- [New Club transfer factors](#)
- [Britain's exit from the EU](#)

[HMRC](#)

- [HMRC newsletters/bulletins](#)
- [Contracting-out reconciliation update](#)

[Training and Events](#)

- [2019 events](#)

[Legislation](#)

[Useful links](#)

[Contact details](#)

Calendar of events

Please see below a calendar of upcoming events relevant to the Firefighters' Pension Schemes. Only those events which are hyperlinked are currently available to book. If you have any events you would like to be included in a future bulletin, please contact [Claire Hey](#).

Midlands regional FPOG	1 March 2019
LGA annual fire conference and exhibition	12-13 March 2019
SAB	14 March 2019
South East regional FPOG	18 March 2019
Data seminar	3 April 2019
LPB effectiveness committee	18 April 2019
Joint Fire and Police governance event	15 May 2019
Administration & benchmarking committee	6 June 2019
SAB	13 June 2019
Ill health and medical appeals seminar	19 June 2019
Firefighter Pensions Technical Community	26 June 2019
Pensionable pay workshop	18 July 2019
Firefighters' Pensions AGM	24-25 September 2019 (provisional)
SAB	10 October 2019
Pensions tax seminar	12 November 2019
SAB	12 December 2019

FPS

Revised Fire (England) factors

Further to the letter issued by the Home Office on 31 October regarding the [review of scheme factors](#) due to the change to the SCAPE discount rate, GAD has provided the following replacement factor tables.

[Appendix 1: Trivial commutation](#)

These factors replace those currently in use with immediate effect from 18 February 2019.

The spreadsheet contains the revised factors which are based on a SCAPE discount rate of 2.4% net of CPI increases. The spreadsheet provides replacement trivial commutation factors for those currently included within GAD guidance notes.

We would be grateful if administrators could undertake some sample calculations using the new factors, which we can forward to GAD to ensure that they have been implemented in line with current guidance. Please send any examples to bluelight.pensions@local.gov.uk.

GAD has informed us that they will update the guidance and example calculations to reflect these revised factors at a later date. The updated tables and subsequent guidance will be made available at <http://fpsregs.org/index.php/gad-guidance> in due course.

ACTION: Pension Board Chairs and Scheme Managers, please ensure you liaise with your pension manager to ensure that the factors are applied with immediate effect.

FPS benchmarking exercise – update

As readers will be aware, Aon have been commissioned to undertake a benchmarking review of FPS administration in relation to cost and service provided. More information can be found on our dedicated [benchmarking review](#) webpage.

We are delighted to report that we received a 100% response rate from all administrators and FRAs to the surveys. Aon have now commenced analysis of the responses and are due to present a draft report to the Scheme Advisory Board at their meeting in June. If any data is missing or seems incongruous within a submission, Aon may make a follow up call to the named contact to ensure that the information has been reported as intended.

The closing date for the web-based member survey is 28 February 2019 and we have received an overwhelming response rate of 3,900 at the time of writing. This data will be exported to Aon to include within their analysis. We would like to thank all stakeholders for advertising and promoting the member survey as widely as possible. As member experience is at the heart of good pension administration, it was vital that we obtain data from those at the receiving end, to add to the information we have collated from employers and administrators.

Technical queries

At the meeting of the Firefighter Pensions Technical Community on 12 February 2019, a number of queries were discussed and the outcomes are detailed below:

Scheme pays

Where a tax charge arises which can be settled using a combination of MSP and VSP¹, the group were asked to consider what obstacles there would be to paying the MSP charge within the timescales for VSP.

A combination of MSP and VSP may arise in the following circumstances:

- Where the pensions savings in one scheme is above £40k (therefore qualifying for MSP) but the pension savings in the other scheme is less than £40k and doesn't qualify for MSP, therefore VSP can be used. Please note that whilst this may usually present itself so that the 1992 scheme has a pension input amount of over £40k, using MSP is not limited to the final salary schemes only
- Where the member is subject to a tapered annual allowance between £10k & £40k, MSP could be used to pay the tax arising from a pension input amount over £40k and VSP used to settle the tax bill between £10,000 and £40,000

There is a difference in timings, processes and abilities between using MSP and VSP. A request to use a combination of VSP and MSP potentially means two event reports for a breach over two separate tax years, two payments over two separate financial years for the FRA, and other complex administrative processes.

Each administrator is currently following different procedures, based on instruction from their finance teams. Guidance will be issued on best practice.

APBs for temporary promotion

The group were asked to consider whether a temporary promotion which began before 1 July 2013 should continue to be treated as pensionable pay where the member has been promoted again after that date with no break in service, and is now substantive in the role.

The technical group agreed that any new period of temporary promotion commencing after the introduction of The Firefighters' Pension Scheme (England) Amendment Orders 2013 for FPS 1992² and FPS 2006³, should be treated as a discretionary APB.

However, FRAs should carefully consider the wording of an individual's contract when determining whether to award an APB, as to whether the job is a new role or a continuation of an existing contract. Where an APB is deemed to apply, this would be based on the difference in pay between the original substantive post and the new temporary promotion.

¹ Paragraphs to 56 to 61 - <http://www.fpsboard.org/images/PDF/Bulletin4/Appendix4v2.pdf>

² <http://www.legislation.gov.uk/ukxi/2013/1392/contents/made>

³ <http://www.legislation.gov.uk/ukxi/2013/1393/contents/made>

Contributions on unpaid absence

The group were asked to consider whether a member could be allowed to repay pension contributions on a period of unpaid absence if they do not subsequently return to work.

The relevant scheme rules do not make a specific reference to returning to work or still being an active member.

England	34(3b)	111 (paragraphs 4 & 5)	114 (paragraph 3)
Wales	43(3bi)	120 (paragraphs 4 & 5)	123 (paragraph 3)

The consensus of the meeting was that a former employee should be allowed to repay the contributions, as the regulations do not prevent repayment after leaving. Contributions should be repaid by lump sum within six months of the last day of employment.

Pension sharing on divorce (transitional members)

In [FPS Bulletin 3 – November/ December 2017](#) we informed readers of the following method of calculating a pension credit where the pension debit member is a member of FPS 2015 with transitional entitlement to either the 1992 or 2006 scheme:

Given that eligibility for protection to remain in the final salary scheme applies to members of the scheme only and does not extend to spouses, the CETV should be calculated across the schemes (and the debit calculated from each) but the credit should be applied in the 2015 scheme only.

The pension credit should be based on the value of the whole ESCE (i.e. the shareable value of both the 1992 + 2015 CETV) and the credit should be calculated using the [2015 scheme guidance](#), using the [addendum](#) dated 13th May 2016.

Following an extended period of deliberation and discussion, the Home Office have confirmed that, although this was the original intent of HMT policy and was legislated for within LGPS, there is no equivalent provision within FPS and no intention to amend the regulations at this time.

Therefore, practitioners should implement pension credits in respect of transitional members within the originating scheme, as there would be no legal recourse upon appeal. We are seeking guidance on how to remedy this retrospectively and will provide further updates via the bulletins.

SAB cost-effectiveness committee vacancy

We have a vacancy on the [SAB cost effectiveness committee](#) for an HR FRA representative. If you are interested in sitting on this committee, please email clair.alcock@local.gov.uk for further information.

February query log

The current [log of queries and responses](#) is available on the FPS Regulations and Guidance website. The queries have been anonymised and divided into topics. The log will be updated on a monthly basis in line with the bulletin release dates.

Queries from earlier months have been grey-shaded to differentiate from new items added in January.

Other News and Updates

Public Service Pension Indexation and Revaluation 2019

On 20 February 2019, HM Treasury issued a [written statement \[HCWS1347\]](#) to confirm that public service pensions will be increased from 8 April 2019 by 2.4 per cent, in line with the annual increase in the Consumer Prices Index up to September 2018.

Revaluation for active members of FPS 2015 is applied in line with Average Weekly Earnings up to September 2018. The figure for the earnings element of revaluation is 2.8 per cent.

The treasury has issued a [covering note](#) and [multiplier tables](#) to help scheme administrators correctly apply the annual increase to public service pensions.

The Public Service Pensions (Valuations and Employer Cost Cap) (Amendment and Savings) Directions 2019

HM Treasury issued a [Written Ministerial Statement](#) on 30 January 2019 stating that the cost cap rectification will be paused pending the outcome of appeals in the Sargeant and McCloud cases on transitional protections.

HM Treasury has now issued new [directions](#) which remove references to the cost cap mechanism, while confirming that public sector employers should continue to pay the contribution rates set by the interim valuation results from 1 April 2019.

The average FPS employer rate from 1 April 2019 is 30.2%. We hope to be able to issue the individual scheme rates imminently.

As previously confirmed, there will be no changes to member contribution rates or the accrual rate at this stage. There will also be no change to the member contribution banding rates, therefore administrators should continue to use the bands that came into effect April 2018.

Contribution rates from 1 April 2018 to 31 March 2019 (percentage of pensionable pay).

Pensionable pay	FPS 1992 and FPS 2006 Special Members
Up to and including £15,609	11.0%
More than £15,609 and up to and including £21,852	12.2%
More than £21,852 and up to and including £31,218	14.2%
More than £31,218 and up to and including £41,624	14.7%
More than £41,624 and up to and including £52,030	15.2%
More than £52,030 and up to and including £62,436	15.5%
More than £62,436 and up to and including £104,060	16.0%
More than £104,060 and up to and including £124,872	16.5%
More than £124,872	17.0%

2.—(1) In the case of a part-time regular firefighter, the pension contribution mentioned in rule G2(1) is the percentage of his pensionable pay ascertained from the Table [in paragraph 3] by reference to the amount of pensionable pay which he would have received had he been a whole-time regular firefighter. [SI 2012/953 [Schedule 8, Part A1, rule 2, paragraph 1](#)]

Pensionable pay	FPS (England) 2006
Up to and including £15,609	8.5%
More than £15,609 and up to and including £21,852	9.4%
More than £21,852 and up to and including £31,218	10.4%
More than £31,218 and up to and including £41,624	10.9%
More than £41,624 and up to and including £52,030	11.2%
More than £52,030 and up to and including £62,436	11.3%
More than £62,436 and up to and including £104,060	11.7%
More than £104,060 and up to and including £124,872	12.1%
More than £124,872	12.5%

2. The amount of pensionable pay of a retained or volunteer firefighter for the purpose of the first column of the Table shall be that firefighter's reference pay.

3. The amount of pensionable pay of a part-time regular firefighter for the purpose of the first column of the Table shall be the amount of pensionable pay of a whole-time regular firefighter of equivalent role and length of service. [SI 2012/954 [Annex A1, paragraphs 2 & 3](#)]

Pensionable pay	FPS 2015
Up to £27,818	11.0%
£27,819 to £51,515	12.9%
£51,516 to £142,500	13.5%
£142,501 or more	14.5%

(3) The amount of pensionable pay of a retained or volunteer firefighter for the purpose of the first column of the table must be that firefighter's reference pay.

(4) The amount of pensionable pay of a part-time regular firefighter for the purpose of the first column of the table must be the amount of pensionable pay of a whole-time regular firefighter of equivalent role and length of service. [2014/2848 [Regulation 110, paragraphs 3 & 4](#)]

New Club transfer factors

New Club factors will come into effect from 1 April 2019.

The updated factors calculated using the new SCAPE discount rate for NPAs 55, 60, 65, 66, 67 and 68 can be found at [Appendix 2](#) and have been uploaded to <http://fpsregs.org/index.php/gad-guidance/club-transfers>.

The following process for applying the new factors has been agreed between public service pension schemes:

- where a Club transfer estimate was issued before 1 April 2019 and the option forms are returned within the guarantee period, the payment is made as quoted (i.e. based on the pre 1 April 2019 factors). In turn, the receiving club scheme completes the transfer in based on the club factors used by the sending club scheme (i.e. the pre 1 April 2019 factors), by reference to the calculation date.
- any new estimates from 1 April 2019 or recalculations where the option forms were received outside the guarantee period would be on the new factors (i.e. the new factors effective from 1 April 2019). Again, the receiving club scheme completes the transfer in based on the factors used by the sending club scheme (i.e. the new factors effective from 1 April 2019), by reference to the calculation date.

Britain's exit from the EU

On 24 January 2019, The Pensions Regulator (TPR) published a [statement](#) on the UK's exit from the European Union, aimed primarily at the trustees of defined benefit (DB) pension schemes.

The statement confirms that because UK workplace pensions are largely domestic in nature, TPR does not expect the UK's departure from the EU to have a significant effect in respect of the legislative basis under which schemes operate or trustees' ability to continue to administer their scheme effectively (whether or not the departure is with 'deal' or 'no deal' scenario). However, there are some specific areas that authorities may need to pay attention to and these are detailed within the statement (largely relating to cross border activities and the payment of occupational pensions to EU citizens).

On 15 February 2019, DWP updated two sets of guidance explaining the rights of [UK nationals in the EU](#), and [EU citizens in the UK](#), to benefits and pensions if the UK leaves the EU without an agreement (a 'no deal' scenario).

The guidance confirms in respect of both parties that:

"There is nothing in UK private occupational pensions legislation that prevents occupational pension schemes from making pension payments overseas. We do not expect that this will change as a result of the UK withdrawing from the EU."

HMRC

HMRC newsletters/bulletins

HMRC have published pension schemes newsletter 107 containing important updates and guidance on pension schemes. The following issues are covered:-

[Pension schemes newsletter 107 – 27 February 2019](#): Relief at source | Master Trusts - the closing date for applications for authorisation is 31 March 2019 | Reporting non-taxable death benefits| Managing Pension Schemes – registering as a scheme administrator |

Contracting-out reconciliation update

The following bulletin, containing important guidance and information about the end of contracting out and the scheme reconciliation process, was published by HMRC in February.

[Countdown bulletin 42](#)

This bulletin gives important information and dates regarding scheme financial reconciliation.

Training and Events

2019 events

We have put together a topical and varied programme of national events for 2019. Details of the dates can be found in the [calendar](#) section of the bulletin.

We will continue to offer bespoke in-house training throughout the year. Each board is entitled to a free annual training session under the statutory levy, which can be utilised on the new scheme manager training package advertised in [FPS Bulletin 16 – January 2019](#).

For more information or to book a session, please contact us as at bluelight.pensions@local.gov.uk.

Legislation

SI	Reference Title
2019/159	The Pension Protection Fund and Occupational Pension Schemes (Levy Ceiling and Compensation Cap) Order 2019
2019/192	The Occupational and Personal Pension Schemes (Amendment etc.) (EU Exit) Regulations 2019
2019/262	The Social Security (Contributions) (Rates, Limits and Thresholds Amendments and National Insurance Funds Payments) Regulations 2019

Useful links

- [The Firefighters' Pensions \(England\) Scheme Advisory Board](#)
- [FPS Regulations and Guidance](#)
- [Khub Firefighters Pensions Discussion Forum](#)
- [FPS1992 guidance and commentary](#)
- [The Pensions Regulator Public Service Schemes](#)
- [The Pensions Ombudsman](#)
- [HMRC Pensions Tax Manual](#)
- [LGA pensions website](#)

Contact details

Clair Alcock (Firefighters' Pension Adviser)

Telephone: 020 7664 3189

Email: clair.alcock@local.gov.uk

Kevin Courtney (NPCC Pensions Adviser)

Telephone: 020 7664 3202

Email: kevin.courtney@local.gov.uk

Claire Hey (Assistant Firefighters' Pension Adviser)

Telephone: 020 7664 3205

Email: claire.hey@local.gov.uk

FPS Bulletin 18 – March 2019

Welcome to issue 18 of the Firefighters' Pensions Schemes bulletin.

If you are looking for information on a certain topic, don't forget to visit the issue and content indexes which are available on the main bulletin page of the website and are updated following each new issue.

If you have any comments on the contents of this bulletin or suggested items for future issues, please contact [Claire Hey](#).

Contents

[Calendar of events](#)

[FPS](#)

- [2019 amendment order - SI 2019/378](#)
- [Revised Fire \(England\) factors](#)
- [Contribution rates 2019-20](#)
- [Year End update 2019](#)
- [New factsheet - Additional Pension Benefits \(APBs\)](#)
- [SAB cost-effectiveness committee vacancy](#)
- [March query log](#)

[Other News and Updates](#)

- [SFGB renamed](#)
- [PASA data guidance](#)
- [DWP launches midlife MOT website](#)

[HMRC](#)

- [HMRC newsletters/bulletins](#)
- [Contracting-out reconciliation update](#)
- [HMRC workshops on the Manage and Register Pension Schemes service](#)

[Training and Events](#)

- [Data: Pensions in a digital era](#)
- [Brighton rocks: LGA annual fire conference](#)

[Legislation](#)

[Useful links](#)

[Contact details](#)

Calendar of events

Please see below a calendar of upcoming events relevant to the Firefighters' Pension Schemes. Only those events which are hyperlinked are currently available to book. If you have any events you would like to be included in a future bulletin, please contact [Claire Hey](#).

Data: Pensions in a digital era	3 April 2019
North West regional FPOG	4 April 2019
Eversheds annual Public Sector Pensions Conference – London	5 April 2019
Eversheds annual Public Sector Pensions Conference – Leeds	12 April 2019
LPB effectiveness committee	18 April 2019
Fire Communications Working Group	29 April 2019
Joint Fire and Police governance event	15 May 2019
Eastern regional FPOG	30 May 2019
Administration & benchmarking committee	6 June 2019
North East regional FPOG	12 June 2019
SAB	13 June 2019
Local Pension Board annual wrap-up session	18 June 2019
Ill health and medical appeals seminar	19 June 2019
Firefighter Pensions Technical Community	26 June 2019
CLASS annual conference: Manchester Holiday Inn	3-4 July 2019
Pensionable pay workshop	18 July 2019
Firefighters' Pensions AGM	24-25 September 2019
SAB	3 October 2019
Pensions tax seminar	12 November 2019
SAB	12 December 2019

FPS

2019 amendment order – SI 2019/378

The Police and Firefighters' (Pensions etc.) (Amendment) (England and Wales) Regulations 2019 [SI 2019/378](#) was laid on 28 February 2019 and comes into force on 1 April 2019. The government response to the consultation can be found [here](#).

A [technical note](#) has been published to confirm the details of the amendment order as it relates to the Firefighters' Pension Schemes. FRAs and local pension boards should take the following action:

1. Ensure they are satisfied that the two pension rule is properly applied.
2. Identify and recalculate any survivor's pension in payment under these rules.
3. Identify and make additional payment to the estate of deceased survivor members who would have had a survivor pension in payment under these rules.
4. Identify and recalculate any CETV calculations (whether for a transfer or divorce) where the value of the survivor's pension was calculated under these rules.

We recognise that scheme records may not be held in such a way that allows the administrator to identify such cases, and therefore a communications exercise will need to take place to all persons or relatives of such persons who may be affected. The communications group will be consulted on the most effective way to communicate this and further advice will be available as soon as possible.

Consolidated versions of rule B5A as amended by this order can be found [here](#).

Revised Fire (England) factors

Further to the letter issued by the Home Office on 31 October regarding the [review of scheme factors](#) due to the change to the SCAPE discount rate, GAD has provided the following replacement factor tables.

[Appendix 1: Pension Debit Adjustment and Pension Credit factors](#)

These factors replace those currently in use with immediate effect from 8 March 2019.

The pension credit factors used in each particular case should be those which correspond to those used for the calculation of the Divorce CETV. In particular, if there are any outstanding pension credits to be calculated where a determination has been made using a Divorce CETV calculated on the old factors then they should be processed using the old pension credit factors.

The pension debit adjustment factors contained in this email should be used for all calculations going forward.

We would be grateful if administrators could undertake some sample calculations using the new factors, which we can forward to GAD to ensure that they have been implemented in line with current guidance. Please send any examples to bluelight.pensions@local.gov.uk.

GAD has informed us that they will update the guidance and example calculations to reflect these revised factors at a later date. The updated tables and subsequent guidance will be made available at <http://fpsregs.org/index.php/gad-guidance> in due course.

ACTION: Pension Board Chairs and Scheme Managers, please ensure you liaise with your pension manager to ensure that the factors are applied with immediate effect.

Contribution rates 2019-20

Banded contribution rates were introduced to the Firefighters' Pension Scheme 1992 and the Firefighters' Pension Scheme (England) 2006 by Statutory Instruments [2012/953](#) and [2012/954](#) respectively.

These rates have subsequently been amended each year by an amendment order to the schemes. The most recent amendments¹, which came into force on 1 April 2015, listed the rates applicable from 2015-16 to 2018-19, including contribution rates for Special Members of the Firefighters' Pension Scheme (England) 2006.

The Firefighters' Pension Scheme 2015 was introduced on 1 April 2015 by SI 2014/2848. [Regulation 110](#) set out details rates applicable from 2015-16 to 2018-19.

For 2019-20, FRAs have been instructed that the current rates shall continue to apply, due to the pause of the cost-cap mechanism. The factsheet at [Appendix 2](#) reminds FRAs of the contribution rates set out in the above Regulations and Orders which will apply from 1 April 2019.

Year End update 2019

A factsheet containing relevant thresholds and rate changes is available at [Appendix 3](#).

New factsheet – Additional Pension Benefits (APBs)

A new factsheet on [Additional Pension Benefits \(APBs\)](#) has been published on the [factsheets](#) tab of the FPS Regulations and Guidance website. This factsheet has been prepared to give guidance to FRAs on APBs, and the requirement to make a discretionary determination on whether eligible payments should be treated as pensionable or not.

More detailed information, including the regulatory background and calculation guidance, is available from the [APB](#) GAD guidance page.

ACTION: FRAs should ensure that a policy is in place on the exercise of their discretion, and that any APBs are reported to their administrator in a timely manner.

SAB cost-effectiveness committee vacancy

We have a vacancy on the [SAB cost effectiveness committee](#) for an HR FRA representative. If you are interested in sitting on this committee, please email clair.alcock@local.gov.uk for further information.

¹ [SI 2015/579](#), [SI 2015/590](#)

March query log

The current [log of queries and responses](#) is available on the FPS Regulations and Guidance website. The queries have been anonymised and divided into topics. The log will be updated on a monthly basis in line with the bulletin release dates.

Queries from earlier months have been grey-shaded to differentiate from new items added in February.

Other News and Updates

SFGB renamed

In [FPS Bulletin 16 – January 2019](#), we reported that the government’s [Single Financial Guidance Body](#) (SFGB) had officially adopted its delivery functions and would be seeking a new name for the organisation as 2019 progressed.

The new name has now been confirmed by [The Financial Guidance and Claims Act 2018 \(Naming and Consequential Amendments\) Regulations 2019](#) as the Money and Pensions Service.

PASA data guidance

The Pension Administration Standards Association (PASA), in partnership with ITM, has produced the following [data guidance](#) to help those responsible for running schemes to review the quality of their existing data, and provides guidance on taking any necessary action to ensure that their data meets all stakeholders’ needs.

Once again data quality and record keeping are high on the TPR agenda, with poor administration a key regulatory concern. Over one quarter of all schemes have not measured their data within the last three years, and a further one quarter only measure common data².

DWP launches midlife MOT website

On 21 February 2019, the DWP launched a new website aimed at encouraging people aged 40 or over to take a ‘mid-life MOT’ to assess their finances, wellbeing and career.

In addition to the [mid-life MOT website](#) for individuals, DWP, in association with Business in the Community, has also produced [a guide](#) for smaller companies on how they can provide mid-life MOTs for their staff.

HMRC

HMRC newsletters/bulletins

At the time of writing, there have been no new publications since our February bulletin.

² Pensions Age seminar 15 March 2019: Louise Sivyler, Policy Manager, TPR,

[Contracting-out reconciliation update](#)

The following bulletins, containing important guidance and information about the end of contracting out and the scheme reconciliation process, have been published by HMRC in March.

[Countdown bulletin 43](#)

Updates include:

- Pension Scheme Administrator queries
- Pension Scheme Administrator guidance about the end of contracting-out
- Scheme Reconciliation Service process improvements
- reminder of deadlines
- contracted-out statements

[Countdown bulletin 44](#)

This bulletin gives important information and dates regarding scheme financial reconciliation.

[HMRC workshops on the Manage and Register Pension Schemes service](#)

On 27 and 28 February 2019, HMRC held workshops on the Manage and Register Pension Schemes service.

The slides from the workshop are attached to this bulletin as [Appendix 4](#).

Training and Events

[Data: Pensions in a digital era](#)

We are pleased to invite readers to a data seminar being held at the LGA offices at 18 Smith Square, London on **Wednesday 3 April 2019**, from 10:30 to 15:15.

We know that data is a major focus this year for TPR and pension schemes, but why is data so important in a digital era and what can we do to improve our approach?

We have put together an agenda of industry speakers to reflect on why data is so important for the Firefighters' and Police Pension Schemes and how technology can help us to get it right.

The event is aimed at Fire and Rescue Authorities and Police Authorities including scheme managers and Local Pension Board representatives, pension practitioners and administrators, along with software providers and industry professionals.

There will be sessions on the Pensions Dashboard project, valuation data, data improvement plans, scheme reconciliation, and member communications, as well as an LGA-led workshop on data scoring for TPR. The full programme can be viewed [here](#).

[Book your place now!](#)

Brighton rocks: LGA annual fire conference

The Bluelight team recently had opportunity to attend the LGA annual fire conference and exhibition in Brighton. The event is well attended by those responsible for managing Fire and Rescue Services and their budgets, along with elected members of Fire Authorities, and so provides an excellent opportunity for networking and improving our knowledge of the wider issues affecting Services across the country. We were also able to catch up with the majority of our Scheme Advisory Board employer representative members, many of whom sit on the Fire Services Management Committee (FSMC).



There were thought-provoking keynote sessions on culture, diversity and inclusion; finance, risk, and capacity; the HMICFRS inspectorate programme; and building safety, among others, in addition to a varied selection of workshops. For those interested, the complete slide decks from the two day event can be viewed [here](#).

Legislation

SI	Reference Title
2019/373	The Guaranteed Minimum Pensions Increase Order 2019
2019/374	The Automatic Enrolment (Earnings Trigger and Qualifying Earnings Band) Order 2019
2019/376	The Social Security Revaluation of Earnings Factors Order 2019
2019/378	The Police and Firefighters' (Pensions etc.) (Amendment) (England and Wales) Regulations 2019
2019/455	The Public Service Pensions Revaluation Order 2019
2019/546	The Pensions Increase (Review) Order 2019

Useful links

- [The Firefighters' Pensions \(England\) Scheme Advisory Board](#)
- [FPS Regulations and Guidance](#)
- [Khub Firefighters Pensions Discussion Forum](#)
- [FPS1992 guidance and commentary](#)
- [The Pensions Regulator Public Service Schemes](#)
- [The Pensions Ombudsman](#)
- [HMRC Pensions Tax Manual](#)
- [LGA pensions website](#)

Contact details

Clair Alcock (Firefighters' Pension Adviser)

Telephone: 020 7664 3189

Email: clair.alcock@local.gov.uk

Kevin Courtney (NPCC Pensions Adviser)

Telephone: 020 7664 3202

Email: kevin.courtney@local.gov.uk

Claire Hey (Assistant Firefighters' Pension Adviser)

Telephone: 020 7664 3205

Email: claire.hey@local.gov.uk

Firefighter Pension Scheme Risk Register

Risk Area - OPERATIONS	Likelihood	Impact	Score	Control	Owner	Test / Review	Comments
Operational disaster (i.e. flood/fire)	1	8	8	All records are stored electronically. Data is backed up regularly and server providers also have business continuity procedures in place.	Pension Provider	Annual review	Business continuity and safety/security of records is part of contract agreements
				The majority of pension documents are electronic and all personnel files have been scanned. Data is regularly backed up, can be accessed from anywhere on the network and server providers also have business continuity procedures in place.	Scheme Manager	Ongoing	Business continuity and safety/security of records is part of data storage contract agreements
				Contracts with pension provider are stored electronically and hard copy stored in Legal Dept	Scheme Manager	In line with contract dates	
Member data incomplete or inaccurate	3	8	24	Annual reconciliation of member data to ensure accuracy and resolve any gaps	Scheme Manager	Annual	Currently, checks are completed in preparation for annual returns.
				Annual data check of common data and any addresses found to be incorrect are investigated using a tracing agency	Pension Provider / Scheme Manager	Annual	
				Robust payroll processes in place to ensure accuracy of data sent to pension provider	Scheme Manager / MFSS	Review Annually	Responsibility for notifying Provider of starters, leavers and changes will pass to MFSS from April 2019.

Administration Failure / Maladministration	4	9	36	Formal agreement in place with pension provider including SLAs	Scheme Manager	Quarterly	Receive quarterly reports from the provider's performance management system outlining where SLAs have been met / breached. Provider presents report to the Pension Board at each meeting.
				Authority Levels and signatory lists clearly documented and up to date	Scheme Manager / Provider	When there is a change in staff or policy	
				Review Pension Providers audit reports	Scheme Manager	Annually	
				Close management of administration contract	Scheme Manager	Quarterly	Scheduled quarterly contract meetings with provider.
				Robust internal controls in place for both the pension provider and CFRS including: - Counter checks by senior team member for all calculations - Provider to have documented controls for all calculations and payments - CFRS to check agreement with all calculations for pension and lump sums.	Scheme Manager / Provider	Ongoing	

				Provider has a training programme in place for their staff, including Fire specific pension scheme rules	Provider	Ongoing	
				Transparent and open monitoring process to ensure lessons are learned from any errors made.	Scheme Manager / Provider	Ongoing	Monitored through quarterly contract meetings
				Ensure resilience in Provider and CFRS teams to mitigate the impact of loss of key staff/knowledge of Fire Pension Schemes	Scheme Manager / Provider	Ongoing	A joint payroll and pensions lead position has been created and recruited to in the Joint HR team in recognition of the need to retain key knowledge and skills. Provider have ensured that staff with experience and knowledge of FPS regs are available to work on CFRS contract
Data Forecast and Calculations				Robust business process in place to ensure the Administrator are provided with accurate pensionable pay and service information to enable accurate forecasts to be produced for members	Scheme Manager	Annually	
				Administrator to make available suitable forms and guidance to enable clear instructions to be provided by employer	Provider	Ongoing	
				Administrator to ensure that team are suitably trained in FPS regulations	Provider	Quarterly	Review any training issues in quarterly performance reviews

Risk Area – FINANCIAL	Likelihood	Impact	Score	Control	Owner	Test / Review	Comments
Excessive charges by provider	2	5	10	<p>Contracts are governed by OJEU rules and are often limited to 2 years with the option to extend, meaning providers are regularly reviewed.</p> <p>Contract prices and any adhoc scenarios where additional charges may be incurred are laid out in the contract terms.</p>	Scheme Manager	Term of the Contract	It is always possible that changes to pension regs or tax regs will incur additional work for the provider and therefore unexpected costs for the FRA i.e. GMP reconciliation.
Fraud / Fraudulent behaviour	2	8	16	<p>Only pension forms from authorised signatories will be accepted by the pension provider</p> <p>Pension Provider staff have documented processes and both internal and external audit procedures.</p>	Scheme Manager / Provider	Ongoing	
Costs incurred due to failure to apply scheme/tax rules correctly or in a timely manner	2	9	18	<ul style="list-style-type: none"> - Pension provider have a technical team with specialist knowledge of the regulations and tax rules - Pension provider produce employer bulletins outlining tax rules for employers - Employer subscribes to knowledge hub and receives LGA/Home Office bulletins and circulars - Regular updates from the Scheme Advisory Board 	Scheme Manager / Provider	Ongoing	

Failure to manage FPS fund correctly i.e. injury pension accounting	2	8	16	<ul style="list-style-type: none"> - Follow guidance provided by Fire Finance network and Home Office circulars - Training and guidance available for finance team on tax and accounting matters through LGA, CIPFA and PSTAX. - Attend Fire Finance Network meetings for guidance from colleagues in other Services. 	Finance / Treasurer	Ongoing	
---	---	---	----	--	---------------------	---------	--

Risk Area – REGULATORY AND COMPLIANCE	Likelihood	Impact	Score	Control	Owner	Test / Review	Comments
Failure to interpret rules or legislation correctly	2	8	16	<ul style="list-style-type: none"> - Utilise central LGA resource and regional / national groups to assist with interpretation of rules and possible provision of legal opinion - Subscribe to the LGA Knowledge hub to get regular updates and liaise with other FRAs - Access professional advice where required - Utilise LGA/Home office bulletins and circulars - Utilise knowledge and expertise of the Pension Provider technical team - Annual training for pension board and members of the pension team - Attendance at FPS AGM 	Scheme Manager	Review as new legislation comes into Force	

				- Clear documented process for decision making outlining process to be followed and the responsible parties			
Failure to comply with disclosure requirements or communicate with staff				<ul style="list-style-type: none"> - Annual Benefit Statements (ABS) provided to all active scheme members in August each year - Annual Benefit Statements provided to all deferred members on an annual basis - Annual check by Scheme Manager to ensure all members have received an ABS - Spot check an ABS for each pension scheme to ensure accuracy of figures - Business processes in place to ensure the relevant legal statements are issued to any staff who are contractually or auto-enrolled. - Business process in place to communicate with members whose contribution banding changes. - Dedicated Intranet page for pension related matters which includes forms, details about the scheme rules, employee guides and information about pension tax. - Any news relating to changes to pension or pension tax is communicated in the Green 	<ul style="list-style-type: none"> Provider Provider Scheme Manager Scheme Manager Scheme Manager Scheme Manager Provider / Scheme Manager Scheme Manager 	<ul style="list-style-type: none"> Annual Annual Annual Annual Annual Annual Ongoing Ongoing 	

				Bulletin or where the change impacts all staff (i.e. end of contracting out), letters will be sent to all staff			
--	--	--	--	---	--	--	--



Local Pension Board Training

18 June 2019

AGENDA

18 Smith Square

- | | |
|--------------|---|
| 10:00 | Networking and refreshments |
| 10:30 | Welcome and introductions |
| 10:40 | Group Discussion <ul style="list-style-type: none">• What do you think is most challenging for board members?• How are you assisting your scheme manager in the management of the pension scheme? |
| 11:00 | Introduction to the Firefighter Pension Schemes |
| 11:30 | Firefighters' Pension Funding |
| 11:45 | Roles and Responsibilities <ul style="list-style-type: none">• Scheme Advisory Board• Scheme manager• Local Pension Boards |
| 12:45 | LUNCH |
| 13:15 | TPR and SAB surveys – key themes |
| 14:00 | Expectations of Pension Boards and next steps |
| 14:45 | Current landscape
Valuation and McCloud & Sargeant |
| 15:25 | Feedback and Questions |
| 15:30 | Close |

